OPEN LETTER TO THE GOVERNMENT AND PARLIAMENT OF SINT MAARTEN

The Sint Maarten Anti-Poverty Platform calls on the Government and Parliament of Sint Maarten to amend the 2026 Country Budget so that the fight against poverty becomes a measurable budget priority and not merely a stated policy intention.

A national budget cannot be judged only by whether income and expenditure are financially balanced. It must also be judged by whether the people of the country can eat adequately, pay for housing, electricity and water, obtain medicines and healthcare, travel to work, send their children to school, communicate, and participate in society with dignity. The 2026 Budget should therefore be amended to strengthen the household budgets of people in need, guarantee access to basic needs, reduce and ultimately eradicate poverty, and meet Sint Maarten's human-rights obligations.

MAJORITY OF LOW-INCOME HOUSEHOLDS HAVE LESS THAN A BASIC-NEEDS INCOME

The fundamental question that Government and Parliament must answer is simple: can the people and households of Sint Maarten meet their basic needs with the income available to them? Our analysis indicates that thousands of households cannot.

THE 2026 COUNTRY BUDGET DOES NOT DEFINE A BASIC-NEEDS INCOME

The 2026 Country Budget provides ordinary expenditure of approximately XCG 635.9 million and ordinary income of approximately XCG 647.1 million. Yet the budget does not clearly identify an official social minimum or basic-needs income standard, the number of households living below that standard, the aggregate income gap affecting those households, or a concrete plan to close that gap. This must change.

More than fifty years ago, experts in the former Netherlands Antilles developed basic-needs standards based on the cost of necessities required for a person to live. Those 1974 amounts cannot simply be used today. At a minimum, they must be adjusted for more than five decades of increases in the cost of living; and a credible 2026 standard must also recognise necessities that did not exist in the same form in 1974.

THREE SCENARIOS FOR THE 2026 BASIC-NEEDS BUDGET

For the 2026 budget debate, SMAPP proposes that Government and Parliament use a three-scenario framework. The first two scenarios are working estimates based on the 2022 Census household-income distribution. The third must be completed when the Government-commissioned Nibud household-specific reference budgets are published.

Scenario	Reference	Households below reference	Gross annual basic-needs gap
LOW	XCG 4,102/month	≈ 9,290	≈ XCG 236.0 million / year
CENTRAL	XCG 4,352/month	≈ 9,725	≈ XCG 264.5 million / year
FULL ADEQUACY	Nibud household-specific	To be calculated	To be calculated

SCENARIO 1 - LOW: CPI-INDEXED 1974 BASKET

Our latest analysis estimates that the unchanged 1974 light-work basic-needs basket, adjusted for inflation to 2026, corresponds to approximately XCG 4,102 per month for a one-person household. Applied as a provisional screening benchmark to the 2022 Census household-income distribution, approximately 9,290 households fall below this level, with an estimated aggregate annual income gap of approximately XCG 236.0 million.

This is the absolute minimum historical scenario. It answers the question: what would the 1974 basic-needs standard cost today if its purchasing power were merely preserved? It does not account for changes in what people now require to participate in society.

SCENARIO 2 - CENTRAL: PROVISIONAL MODERNISED 2026 BASKET

A household in 2026 has unavoidable needs that did not exist in the same form in 1974. Basic internet connectivity, mobile communication and minimum digital access are now necessary to apply for work, communicate with Government, access education and banking, obtain healthcare information and use other essential services. Adding a conservative allowance of approximately XCG 250 per month for these modern necessities produces a provisional 2026 basic-needs reference of approximately XCG 4,352 per month.

Using the same working Census household-income distribution, approximately 9,725 households fall below this provisional reference. The estimated aggregate difference between their incomes and the XCG 4,352 reference is approximately XCG 264.5 million per year. Compared with the Low scenario, recognising even a conservative set of modern necessities increases the estimated national basic-needs gap by approximately XCG 28.5 million per year and identifies approximately 435 additional households below the provisional reference.

This XCG 264.5 million figure is the estimated gross household basic-needs income gap. It must not be misrepresented as a proposal for Government to distribute XCG 264.5 million in cash assistance. It is the size of the economic shortfall that public policy must progressively close through a combination of wages, taxation, social security, lower essential costs and targeted income support.

SCENARIO 3 - FULL ADEQUACY: NIBUD HOUSEHOLD-SPECIFIC REFERENCE BUDGETS

The XCG 4,352 Central scenario is not presented as the final official poverty line for Sint Maarten. The forthcoming Nibud reference budgets should establish more precise minimum expenditure levels for different household compositions, including one-person households, older persons, single-parent households, couples, households with children and larger families.

The Full Adequacy scenario should therefore replace a single household threshold with household-specific reference budgets that take account of housing, utilities, food, healthcare, childcare, transport, school expenses, insurance and the costs of normal social participation. Once these figures are published, Government should immediately recalculate the number of households below the applicable reference budget and the total remaining basic-needs gap. Until then, the Central scenario of XCG 4,352 per month should be used as a provisional 2026 planning benchmark, not as a final household-specific poverty line.

THE EXISTING SOCIAL-PROVISIONS ENVELOPE DOES NOT CLOSE THE GAP

Under the Central scenario, the gross annual household basic-needs gap is approximately XCG 264.5 million. Even if the entire approximately XCG 36 million identified in our analysis as the existing social-provisions envelope were assumed to directly reduce the basic-needs deficits of low-income households, an estimated XCG 228.5 million annual gap would remain. This is already a generous assumption because Government has not yet demonstrated that every guilder classified under social provisions directly reaches households below the basic-needs level or reduces their disposable-income deficit.

Government should therefore publish a programme-by-programme reconciliation showing how much of existing social expenditure actually reaches households in need, how many households benefit, and how much each programme reduces the verified basic-needs gap.

TOWARDS AN INTEGRATED BASIC NEEDS AND POVERTY ERADICATION PLAN

The responsibility for closing the estimated XCG 228.5 million residual gap should not be placed on the national budget alone. SMAPP proposes a mixed-financing framework for parliamentary debate. The amounts below are an illustrative allocation of the residual Central-scenario gap, not a claim that the final distribution has already been decided.

Policy instrument	**Illustrative share**	**Annual contribution**
Wages and employer compensation	40%	XCG 91.4 million
Tax relief / refundable low-income credits	15%	XCG 34.3 million
Social security and income-replacement reform	15%	XCG 34.3 million
Utility, housing and essential-cost reductions	10%	XCG 22.8 million
New direct national-budget basic-needs support	20%	XCG 45.7 million
TOTAL RESIDUAL GAP	**100%**	**XCG 228.5 million**

A. MINIMUM LIVING WAGE

Working households should not remain poor because wages are inadequate. Government must establish a living-wage trajectory and assess the statutory minimum wage against the actual cost of basic needs. Under the illustrative mixed-financing model, approximately XCG 91.4 million of the residual gap would be closed through additional wage and employment income rather than through direct Government transfers.

B. TAX RELIEF FOR PEOPLE BELOW THE BASIC-NEEDS LEVEL

The tax system should not take income from households that are already below an agreed social minimum. Government should examine higher tax-free allowances, refundable low-income or earned-income tax credits and child or family credits. Under the illustrative model, approximately XCG 34.3 million of the residual gap would be addressed through tax relief or refundable credits.

C. ADEQUATE SOCIAL PENSIONS, SOCIAL ASSISTANCE AND INCOME REPLACEMENT

AOV pensions, social assistance and other income-replacement benefits must be evaluated against actual household needs rather than only adjusted periodically by percentage increases that may leave recipients permanently below the cost of living. Under the illustrative model, approximately XCG 34.3 million of the residual gap would be addressed through strengthened social-security and income-replacement mechanisms.

D. BRING DOWN THE COST OF LIVING

Government must also reduce essential household expenses through measures addressing electricity, water, housing, transportation, healthcare and basic connectivity. Under the illustrative model, measures that lower essential costs would account for the equivalent of approximately XCG 22.8 million of the residual gap.

E. TARGETED DIRECT INCOME SUPPORT

Targeted direct income support will remain necessary for households whose needs cannot adequately be addressed through employment income, tax measures, social insurance or lower essential costs. Under the illustrative mixed-financing model, the new direct national-budget appropriation is provisionally estimated at approximately XCG 45.7 million per year. This figure represents only the proposed 20% direct-budget component of the XCG 228.5 million residual gap; it is not the total basic-needs gap.

A HUMAN-RIGHTS OBLIGATION

The precise distribution between these instruments must be determined by Government and debated openly in Parliament. What is no longer acceptable is a budget that does not calculate the problem at all.

Article 2 of the International Covenant on Economic, Social and Cultural Rights requires States to take steps, using the maximum of their available resources, toward the progressive realisation of economic, social and cultural rights. These include the rights to social security, adequate food and housing, health, education and an adequate standard of living.

Article 43 of the Charter for the Kingdom establishes the responsibility of each country for the realisation of fundamental rights and makes the safeguarding of those rights a Kingdom responsibility.

Sint Maarten therefore has the first responsibility to use its own available resources effectively. Where structural financial limitations prevent the realisation of minimum rights, Government should also formally seek Kingdom and Dutch cooperation to reduce inequalities in the enjoyment of fundamental rights within the Kingdom. (art 4 of the comptability ordinance)

SMAPP'S REQUEST

Government has stated that it wants to fight poverty. Parliament has a constitutional responsibility to supervise how public money is used. We therefore call on Government and Parliament to take the following decisions in connection with the approval, amendment and implementation of the 2026 Country Budget:

1. Recognise and publish a three-scenario 2026 basic-needs framework: Low at XCG 4,102 per month, Central at XCG 4,352 per month, and Full Adequacy based on the forthcoming Nibud household-specific reference budgets.
2. Use the Central scenario as the provisional 2026 planning benchmark while clearly stating that it is not a final household-specific poverty line.
3. Publish and independently verify the number of households estimated to fall below each applicable reference and calculate the aggregate household income gap.
4. Recognise the current working estimates: approximately 9,290 households and XCG 236.0 million under the Low scenario; approximately 9,725 households and XCG 264.5 million under the Central scenario; and a Full Adequacy estimate to be calculated when Nibud household-specific reference budgets are available.

5. Explain exactly how much of the existing social-provisions budget directly reaches low-income households and reduces their basic-needs deficits before deducting such expenditure from the gross basic-needs gap.
6. Establish an integrated Basic Needs and Poverty Eradication Plan combining wage policy, tax reform, social-security reform, utility and housing measures and targeted income support.
7. Under the Central scenario, use the estimated XCG 228.5 million residual gap after the provisional XCG 36 million existing-support assumption as a planning figure for the combined policy response, subject to verification of existing support.
8. Provide an appropriate additional direct budget appropriation. Under the illustrative mixed-financing model, this is provisionally estimated at approximately XCG 45.7 million per year, while the remainder of the residual gap is addressed through wages, tax relief, social security and lower essential costs.
9. Require the forthcoming Nibud household-specific reference budgets to become a formal benchmark for future minimum-wage, pension, social-assistance, taxation and poverty policies, with periodic updating for inflation.
10. Attach to the 2026 budget a Basic Needs Gap and Human Rights Annex showing the applicable reference budgets, households below them, the gross gap, verified existing support, the residual gap, the contribution of each policy instrument, the population benefiting, annual targets and measurable indicators.
11. Require quarterly reporting to Parliament on poverty reduction, budget execution and the measured reduction in the household basic-needs gap.
12. Where Sint Maarten's available resources are demonstrably insufficient, formally request Kingdom and Dutch co-financing aimed specifically at closing identified social and human-rights gaps.

A realistic people's budget must answer:

- How many households cannot meet their basic needs?
- How large is the gross household income gap under the Low, Central and Full Adequacy scenarios?
- How much of that gap is already being reduced by existing social expenditure?
- What will Government do in 2026 to reduce the remaining gap?
- How much additional direct budget support will be allocated?
- What contribution will come from wages, taxation, social security and lower essential costs?
- What support will be requested from the Kingdom where Sint Maarten's own resources are insufficient?
- By how much will the basic-needs gap and the number of households living below an adequate standard actually be reduced by the end of 2026?

We urge every Minister and every Member of Parliament to require clear answers to these questions.

Poverty is not eradicated by declarations. It is eradicated when household incomes and essential support are sufficient for people to live with dignity. The 2026 Country Budget must reflect that responsibility. This is not a request for charity. It is a demand for dignity, social justice, accountable government and the progressive realisation of fundamental human rights for the people of Sint Maarten.

COORDINATORS OF THE SINT MAARTEN ANTI-POVERTY PLATFORM

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