

Special Features 15



Citizens' Guide to the Budget for financial year

The Citizens' Guide to the Budget highlights policy priorities and shows how money from the public purse is working to improve your communities and better your lives.

This guide is yet another tangible demonstration of transparency by the government I lead. It shows details of the spending plan approved by the House of Assembly. The goal and guiding principle remain the same for this administration - maximise our resources to build a stronger, more prosperous, fair and just TCI.

We continue to deliver on the promises in the Peoples' Contract and we will do more in 2024 with investments that will spur growth and development and improve the standard of living of the TCI.

hard to make this guide possible.

I thank those who take time to read this Citizens' Guide to the Budget and sincerely hope it provides you with a greater understanding of how our public resources are allocated and our policies and programmes will affect your lives.

Delivering for you - Will do more in 24.

Sincerely,

Kashington Misick Premier of the Turks and Caicos Islands.



The Citizens' Guide to the Budget for 2024/2025.

We are committed to keeping you informed as transparency and accountability are the main pillars of good governance.

The government must forecast the revenues it will receive and expenditures it will incur in the fiscal year ahead.

The budget is a management and planning tool which outlines the goals and objectives of the government and guides our public servants on the priorities, the urgent needs and the projects that will have the greatest impact on the various islands, communities, and people.

This guide is prepared by the budget office in the Ministry of Finance, Investment and Trade. It is designed in a way to help you: better understand the budget process; show the size of the budget; show priority areas; and show the allocations to ministries, departments and agencies.

We invite you to engage in discussions about the direction of the country and hold public servants and political representatives accountable.

I encourage you to read this guide and share it with family and friends.

Together we can build a Prosperous, Beautiful by Nature Turks and Caicos Islands.



- Completed the first Pay and Grade review in ten years giving every employee in the public service at least 10 percent increase.
- Credit rating revised to BBB+, and from stable to positive outlook - S&P Gobal Ratings.
- Introduced Daycare and After School Care to help families in need.
- Increased social assistance for the elderly and vulnerable.
- Introduced free tuition at the Turks and Caicos Islands Community College for islands status holders and British overseas citizens.
- Completed and launched Vision 2040 Development Plan.

- Reached agreement with the UK on major constitutional amendments.
- Created the Border Force by integrating immigration and customs across the airport and seaports.
- Made significant progress on the implementation of a national ID.
- We signed a contract for solid waste management for Providenciales for regular garbage collection and proper and safe disposal.
- The South Dock Development is now truly underway.
- Launched the National Housing Policy.
- Established TCI Finance.
- Funded the Credit Union and Mortgage Corporation.

EUROPEAN UNION REMOVES TCI FROM ITS LIST OF NON-COOPERATIVE JURISDICTIONS FOR TAX PURPOSES



The European Council Code of Conduct Group ("EU COCG") has removed the Turks and Caicos Islands from its list of non-cooperative jurisdictions for tax purposes. The TCI was placed on the list in October 2022, after deficiencies were found in how the Territory enforces its Economic Substance requirements.

Significant investments were made to remedy the deficiencies including: implementing the Economic Substance Portal, a comprehensive review of the legislation, training of industry stakeholders, production of comprehensive guidance notes, and an overall strengthening of the processes and procedures adopted by the Financial Transaction Information Exchange Unit ("FTIE") administers the Companies and Limited Partnerships (Economic Substance) Ordinance.

The Ministry of Finance will continue to strengthen its relationships with domestic and international stakeholders, provide a reporting mechanism that allows for the safe exchange of information and most importantly continuous training and development of staff in global tax evasion and information exchange.

This removal is a step in the right direction. The TCIG will continue to promote safe practices, fair and transparent taxation and improve the enforcement and compliance regime on Economic Substance.

IMPORTANCE OF THE ANNUAL BUDGET

The budget is a clear plan and management tool for how the money the government collects is spent. The government decides on the priority areas, the team at the Ministry of Finance, based on its analysis of the various sectors, gives an estimate of the revenue for the financial year. Requests for funding are made by Ministries, Agencies and Departments and these are assessed and ranked based on the government priorities.

The budget is crafted to support increased service levels to the people, infrastructure development and maintenance, economic expansion, education, healthcare, and public safety.

The Turks and Caicos is fortunate that over the last three years, revenues have exceeded expenditure. This has created a surplus which we have directed towards development projects or the Citizens' Empowerment Fund.

THE BUDGET CALENDAR

ACTIVITY	DEADLINE
Fiscal and Strategy Policy Statement (FSPS) budget call #1 issued	July 31, 2023
Complete new spending requests and cost savings option templates	September 5, 20223
Draft FSPS	October 2, 2023
Cabinet approval of Fiscal and Strategy Policy Statement draft	November 21, 2023
Budget call circular #2 issued	December 7, 2023
Sent to the UK Foreign Commonwealth and Development Office, for information only	December 18, 2023
Prepare first draft of government budget documents	January 19, 2024
Budget challenge meetings	January 31- February 8, 2024
Final review	March 8, 2024
Budget submitted to Cabinet	March 10, 2024
Appropriation Estimates submitted to the House of Assembly	March 21, 2024

THE BUDGET STRUCTURE

As we continue to modernize our economy and implement the strategic reform programmes, we are better aligning budget allocation with long and medium-term planning.

In the upcoming financial year, our budget office is improving the way we align the budgetary priorities with Vision 2040.

Every new proposal for spending is assessed based on the goals of the Vision 2040 plan. It must fit into one of the five pillars and the necessary condition must be identified.

The budget book shows how each expenditure fits into the Vision 2040 plan.

It also demonstrates how the MDAs' mission, strategic priorities, programmes and performance information are aligned to the UN Strategic Development Goals indicators and targets. Programme policies are assessed for gender and green budgeting parameters.

You may view the Budget document at www.gov.tc.

ECONOMIC OUTLOOK

Our economy is strong and expanding. In 2022 and 2023 our economy experienced a remarkable surge, with growth rates exceeding 12 per cent. Projections indicate a continued expansion driven by high tourist arrivals. This year our economy is expected to grow between 3.6 and 5 per cent.

After collapsing during COVID-19, the GDP has grown consistently since 2021. It is projected to grow this year to \$1.2 billion.

The high interest by investors bodes well for the economy in the near, medium, and long terms. Projects in varying stages of development valued at over \$4 billion are in the pipeline:

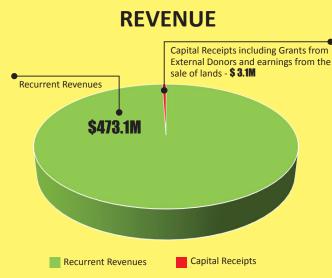
Projects with development agreements or currently under construction - \$792 million.

Projects with MOUs in place with the finalization of development agreements in progress - \$2.7 billion.

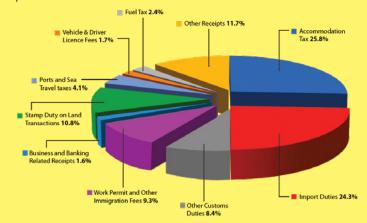
Projects at the due diligence stage - \$507 million.

FINANCING THE BUDGET

The money that the government collects is revenue. Revenue is earned mostly from the tourism, construction, real estate, and immigration sectors as well as customs and stamp duties.



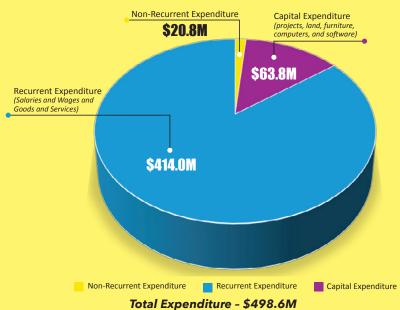
Total Estimated Revenue FY 2024/2025 - \$476.2M



- Accommodation Tax \$119.6 million
- ◆ Import Duties \$112.5 million
- ◆ Stamp Duty on Land Transactions **\$50.0 million**
- ♦ Work Permit \$42.9 million
- ◆ Other Customs Duties \$38.8 million
- ◆ Excess Revenue from Ports and Sea Travel Taxes \$21.0 million
- ◆ Fuel Tax \$10.9 million
- ◆ Vehicles and Driver's Licence Fees \$7.9 million
- ◆ Business and Banking Related Receipts \$7.3 million
- ◆ Other Receipts \$62.1 million

EXPENDITURE

The money collected is spent on running the government and providing goods and services to our people such as education, healthcare, infrastructure, security and public administration.



OPERATING DEFICIT

Projected Operating Deficit - \$22.7 million

FINANCING

Debt Repayment - **\$0.4 million**Borrowing - **\$0.2 million**

BUDGETARY PRIORITIES

General Public Services - \$130,307,732

Public service operations, including the following offices:

- Governor
- Deputy Governor
- Premier
- House of Assembly
- Financial and Fiscal Affairs



Health - \$90,609,151

- Public health and hospital services
- Mental health
- Research
- Health emergencies
- Dental
- Laboratory services
- Promotion of healthy lifestyles
- Policy planning



Economic Affairs - \$86,596,615

- Infrastructure development, including land acquisition.
- Tourism product enhancement
- Agriculture
- Catastrophic risk insurance
- Environmental and coastal resources
- Energy and utilities
- Communications



Public Order and Safety - \$72,085,144

- Police Services
- Law Courts, AG Chambers, Director Public Prosecution,
 Judicial Administration, and the Labour Tribunal
- Public Order, Customs and Border Protection, Immigration, and Repatriations
- Prisons, Correctional, and Rehabilitation Services
- Fire and Rescue





Education and Recreation - \$58,737,278

Creating modern schools that are well positioned and equipped to give our people the skills, knowledge, experience, and confidence to lead productive, meaningful lives and to help drive sustainable development across all islands.

- Free Community College to all TC Islanders
- Policies to support early childhood education and safeguard children
- Improvements to school infrastructure
- More scholarships and school support for students at all levels
- Recreation and Sports





Social Protection - \$26,960,335

- Assistance to the poor and vulnerable
- Home Health and Social Assistance programme
- Pensions and gratuities for Public Servants
- Domestic violence victim support and gender equality



Housing and Community Amenities – \$18,699,795

- Housing and Community renewal
- Estate Management
- Water Services, including water treatment and distribution
- District Administrations



Defense - \$9,625,897

- National Security Secretariat and the Contingent Forces
- Patrol vessels and motor vehicles for the Defense Forces
- Disaster Management





Environmental Protection – \$3,656,231

• Fisheries and marine resource management.



Culture - \$1,387,459

Promotion of culture





The main spending priorities are:

- 1. Staff costs including adjustments for the Pay and Grading exercise, \$157.3M an increase of approximately \$30.7M over the previous year.
 - a. This allocation encompasses 28 new positions, primarily for the recently established Border Force and to bolster the military force.
 - b. \$3.5M is allocated to cover the pay and regrading exercise for subvention-supported statutory bodies.
- 2. \$13M Mortgage Corporation Fund
- 3. \$3.1M The Senior Citizens Financial Assistance Programme.
- 4. \$1.4M to cover a mid-year increase of 20 per cent for pensioners and former legislators.
- 5. \$900K for MSME Investment, which includes funding for training programmes, technical assistance, and opportunities for business development.
- 6. \$6M for the Community Enhancement Projects/ Works Programme for works across all islands. These funds will be used to support and maintain public facilities and strengthen activities within the District Commissions.
- 7. \$10.1M for Social Welfare an increase of \$1.5M
- 8. \$300K for Prison Reforms and the Juvenile Intervention and Diversionary Programme. This will support a review of the prison resourcing model within the Department of Correctional Services.
- \$800K to Culture and National Trust to preserve societal identity, enhance education and awareness, stimulate economic growth, promote social cohesion, and preserve diverse human history and traditions.

- 10. \$500K to improve Disaster Resilience, specifically to procure equipment, office space, and cooling systems to accommodate specific items during a disaster.
- 11. \$800K for additional staff for the Contingent Military force as we seek to enhance the capacity and capability of the TCI regiment, and bolster the islands' fight against illicit activities.
- 12. \$3.7M more for the Border Force to strengthen border security and enhance the TCI's capacity to combat illicit activities.
- 13. \$500K for Border and Immigration Services to implement the labour market survey system.
- 14. \$2M to the Ministry of Finance, Trade, and Investment to hire consultants to design and implement the road map to accrual accounting.
- 15. \$700K to the Sports Commission to implement their programmes.
- 16. \$1.5M to the school nutrition programme.
- 17. \$200K to support a review of the procurement Ordinance.

The Budget will continue to support the following:

- The ongoing SIPT trials
- Subvention to bodies of good governance.
- Local and domestic training
- Tertiary and higher education
- Maintenance of government infrastructure
- Treatment abroad programme
- Utility expenses
- Solid waste management



MANAGING INFLATION AND EXTERNAL PRESSURES

The TCI depends heavily on imported items for not only the food basket but for energy, building supplies, equipment, and tourist-related products. This has made our supply chain and prices vulnerable to factors that are external and out of our control.

The government continues to implement measures to ease the inflationary burden.

- Households with single parents, special needs and disabled children can get \$500 for each child monthly for up to three children.
- Vulnerable persons over 70 years old receive \$1,000 monthly per household.
- The Foster Care Assistance has been increased from \$120 to \$300 weekly per child for up to three children in a household.
- All pensions awarded prior to March 2021 were increased between 2.1% to 13.2%.

PRIORITY PROJECTS

DMO/EXPERIENCE TCI

The transition from the Tourist Board to a Destination Management Organization (DMO) is now completed. The new entity has been branded Experience TCI which better captures its intent and purpose.



\$6.7 million has been allocated to create products which offer our visitors an extraordinary experience.

With Experience TCI and the Tourism Regulatory Department, the Turks and Caicos Islands is solidifying itself as a desirable and high-end destination.

Visitors want different experiences and higher service standards, and we must deliver.

To protect the foundation of our tourism success, the Ministry of is conducting a Carrying Capacity survey to establish protocols for future developments and large-scale projects.

PRIORITY PROJECTS (cont'd)

DIGITAL GOVERNMENT



We have already digitalised or are completing several processes. These include:

- The Agriculture Case Management Project.
- Automation of the processes within the Health Regulation Authority.
- The Naturalization and Citizenship Department
- The Land Registry Digitalisation Project is scheduled for completion in August 2024.
- The Firearm Application Project for online registration and renewal of firearms licenses with an e-pay component is nearing completion.
- The Registrar General and users are experiencing improved performance. TCI Status Cards and the Voter Document Management within the Election's Office will be included shortly.
- The Migrant Health Applications Project Phases 1,
 2 & 3 are completed and online.
- Emergency Medical Services Project to digitalize the operations of the Department should be completed by April 2024.

NATIONAL ID

The National Identification Project is a major endeavor and is progressing well. \$3.7 million has been approved to support the rollout of e-government services and the issuance of ID Smartcards is on schedule.

During the next 5 months, the project will focus on ID-Card procurement and creating the organisational processes and regulations to accommodate the new National ID System.

Cards will be available by the first quarter of 2025.

SOLID WASTE MANAGEMENT SITE

The fires which have been a hazard for the people of Wheeland and its environs for so long will become less frequent and eliminated over time.





A three-year contract has been signed with local company TCI Green Ecological Corporation to manage and transform the waste disposal site into a modern landfill.

This is the first step in addressing the disposal of waste not only in Providenciales but across the TCI.

To protect the land fill from scavengers and stray animals, a perimeter fence is being erected. Additionally, the road around the landfill has been completed giving trucks and other service vehicles better access.

In order to collect data for policy development, a weight bridge has been installed to give a more accurate assessment of the amount of waste being generated.

As we seek to give the people healthier communities, air quality monitors are being installed to test the surrounding environment.

PAY AND GRADING EXERCISE

The general Pay and Grading exercise for the Public Service is completed and since December 2023, all public servants are receiving increased salaries.

INFRASTRUCTURE

We are investing in infrastructure that will strengthen the TCI economy, support development across all islands and lead to long-term prosperity and a better way of life for our people.

Alongside the major projects such as the airports and ports, we continue to improve and build roads and supporting infrastructure such as kerbs, verges, and drains.





WATER

Installation of city water lines in Wheeland, Blue Hills, Long Bay, and smart water meters for Grand Turk.







PROJECTS ACROSS MULTI-ISLANDS

National ID - **\$3.7M**Digitalization of Border Services - **\$2M**Clean-up and community enhancement - **\$5.2M**Street cleaning and Maintenance - **\$4.5M**



GRAND TURK

- Construction of West Road and Pond Street Bridges-\$650K
- Construction of drains and site work at the Helena Jones Robinson High School and remediation works on the Ponds - \$3.6M
- Upgrading of roads bridges, and ponds such as Mission Folly and West Road - \$3M
- Grand Turk Market and Welcome Centre \$1M
- Works on Matthew Canal, Salt Cay \$800K



PROVIDENCIALES

- New drainage and other improvement works \$3.4M
- Pave and repair roads \$4.9M
- Upgrade recreational parks in Blue Hills, Kew Town, Five Cays, and the Bight - \$500K
- Sidewalks for Chalksound \$250K
- Leeward and Long community roads and solar lights - \$500K



- Community Centre for the Bight \$1.5M
- Solar streetlights for the Bight \$250K
- Refurbishing of the Gustavus and Lightbourne Community Centre roof and floor in Richmond Hill - \$800K

- Road works in Kew Town including pedestrian crossing \$350K
- Solar streetlights for Kew Town \$250K
- Way finder signage for Blue Hills \$150K
- Solar streetlights for Blue Hills \$250K
- Mobile Clinic for Blue Hills \$300K
- Sapodilla Bay in Five Cay \$850K



- Solar streetlights for Sapodilla Bay \$250K
- Paving of roads in Wheeland \$500K
- Solar streetlights and recreational pavilion for Wheeland - \$750K

NORTH AND MIDDLE CAICOS





- Renovation of the Bambara Beach Vendor Market - \$750K
- Solar streetlights \$250K
- Whitby Road \$1.1M
- Renovate and refurbish the Horse Stable Beach Community Park - \$500K
- Bottle Creek Community Centre \$1.5M

SOUTH CAICOS

- Improvements to Cockburn Harbour \$500K
- Solar Streetlights \$250K
- Redevelopment of the Conch Ground Facility \$1.5M
- Redevelop Regatta Village \$1M
- Community Road Repairs \$3.5M

SPECIAL FEATURES

AIRPORT UPGRADING

To compete effectively in the global tourist market, our airports must be kept in the best condition to handle both commercial and private aircraft.

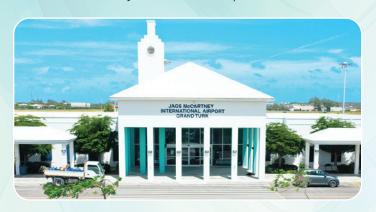


Renovations have been completed or are ongoing at,

- Eric Arthur Airport, Middle Caicos.
- Clifford Gardiner Airport, North Caicos.
- Norman B. Saunders Snr. International Airport, South Caicos.



• JAGS McCartney International Airport Grand Turk.



In addition at all airports:

- New seating, stanchions, and trollies have been installed.
- Road and building signage have been procured.

HOWARD HAMILTON INTERNATIONAL AIRPORT

Major redevelopment and upgrading works are being carried out at the main gateway into our islands, the Howard Hamilton International Airport.



The airside canopy should be completed by September. Other major upgrades include:

- A new Airline office complex and the new Staff break room.
- Twelve new self-check kiosks and a Common Use System.
- Upgrade of bathrooms in the international arrivals area.
- Carpeting of the international departure upstairs area and new flooring for domestic departure.
- New Air Conditioning Units in the international departure and arrivals.
- New carousel belts.
- Painting the terminal and general beautification including landscaping.
- The addition of a mural of our beautiful islands behind the check-in counters.

PORTS

A modern port system will spur economic diversification, job creation, global engagement, and connectivity. Phase One of the redevelopment of Providenciales South Dock is the Port Authority's highest priority in 2024.





For 2024, \$20.6 million has been allocated with Phase One expected to be completed in early 2025. This will include:

- The construction of a new pier which can accommodate two vessels at the same time.
- Phase Two, which involves the construction of a second pier will begin early in 2025.
- The new port office building will be completed at the end of July within budget and on time.
- We are accelerating the work with appraisal ongoing for phases three and four as well as the fuel mooring components.
- We are transforming the Bellefield Landing into a tourism hub and commercial port for North and Middle Caicos.
- The Bellefield Landing boat slips were commissioned in early 2024. In this budget \$600,000 has been provided for phase one of the transformation of Cedar Park into a community waterfront park.
- \$400,000 has been allocated to refurbish the main berth in Grand Turk.

BORDER FORCE

We are strengthening our borders with the integration of immigration and customs departments across the airport and seaports into one Border Force.

On 30th October 2023, the Ministry of Immigration and Border Services launched the first phase of the Turks and Caicos Islands Border Force to have a unified approach and better manage border protection.

In Phase 1, the immigration and customs teams at airports and seaports were consolidated and a joint intelligence unit created to streamline processes.







Phase 2 will be completed in 2024 with the integration of the inland revenue department and establishing a combined Services function. This will enhance enforcement efforts and improve customer service delivery, reflecting the ongoing commitment to border security and efficient operations.

SUPPORTING CHILDREN WITH SPECIAL NEEDS

To better support children with special needs, the Special Needs Unit has been transferred to the Ministry of Education and transformed into the Department of Special Education Needs Services.

This strategic move reflects the government's unwavering commitment to provide comprehensive and inclusive educational services to children with special needs across the Turks and Caicos Islands.

The Department of Special Education Needs Services is focused on increasing access to support services and resources for children with special needs. One of the key initiatives is providing access to speech, behavioural and occupational services.

The department has employed dedicated specialists to provide the appropriate therapy for children with special needs across the Turks and Caicos Islands.

The department will be hosting specialised camps, assessment services, and training programs facilitated by

volunteer clinicians and specialists who have expertise in various fields, including behavioural therapy, audiology, and IEP development.

The department will establish a Special Education Centre to provide specialised education and support for children with special needs. This will further expand access to educational opportunities for children with special needs and ensure that they receive the individualised support and care they require to thrive academically, socially, and emotionally.

This represents a significant step in the Ministry of Education's efforts to create a more inclusive and equitable education system for all children in the Turks and Caicos Islands.

Every child must get the opportunity to succeed and achieve their dreams.









THE JUDICIARY

The Judiciary of the Turks and Caicos Islands continues to fulfil its mandate of providing justice through adjudication of claims and the trial of criminal cases in its three tiers of courts: the Magistrate's Court, the Supreme Court and the Court of Appeal.





To enhance access to justice, since 2023 we have been rolling out E-Judiciary which allows for all court documents to be filed on the Curia E-Filing Folio system.

Currently, all civil processes and all new criminal matters at the Supreme Court are filed on Curia. Additionally, the Supreme Court and Magistrate Courts across the islands are being outfitted with kiosks to allow litigants who represent themselves to conduct their filings via the portal. We will digitalise all our services as part of E-Judiciary expansion.

All court users, including police officers and litigants who represent themselves will be trained in due course on the use of the Curia E-Filing Folio system.

To enhance capacity, the Judicial Education Institute will continue to provide training programmes and workshops for our judicial officers, staff and attorneys in an effort to improve the overall delivery of justice. We will also continue to hone and develop the skill of judicial officers through participation in regional and international conferences.

The Hon. Chief Justice, Mrs. Justice Mabel Agyemang, has indicated that for the 2024/2025 FY, the Judiciary will focus on the following:

- 1. Developing appropriate Court Infrastructure
- 2. Focusing on Court User Satisfaction
- 3. Ensuring meaningful Stakeholder Collaboration
- 4. Developing a viable Juvenile Justice regime and
- Providing Continuing Judicial Education for Judges and Magistrates

PROMOTING GENDER EQUALITY

The Turks and Caicos Islands Government recognises that Gender Equality is essential to national Development.



The Department of Gender Affairs continues to focus on promoting Gender Equality as the TCI pursues social justice, sustainable growth, and Development. We are leading the way in Gender and green-responsive budgeting and other programmes and policies that promote gender equality and gender equity.



The Department continues to establish institutional mechanisms to advance gender equality across the Territory with a time-appropriate National Gender Equality Policy and Domestic Violence Protocol. We believe this will strengthen the Domestic Violence Ordinance.

We believe that public education and strong partnership are critical to Gender Equality and Equity.

We conduct regular sensitisation exercises and build local, regional and international partnerships.

These partnerships strengthen the TCI through: Gender and Disaster Risk Management training, training for disaggregated Data Collection, and gender budgeting. Our key stakeholders and regional partners include ECLAC, UN Women, CARICOM and UNFPA.

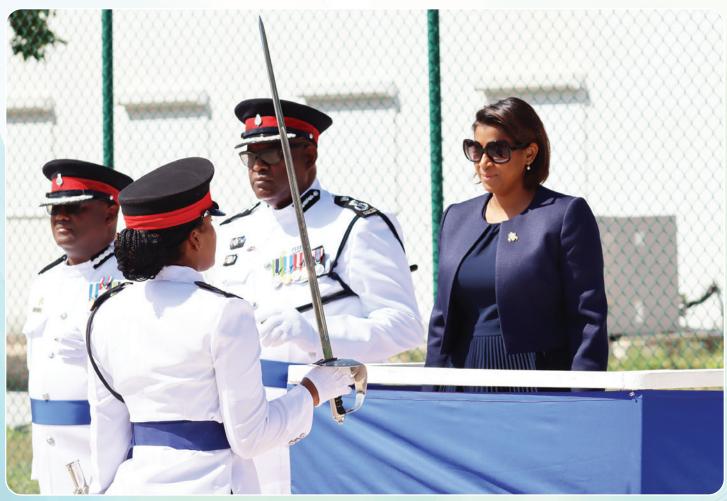
The establishment of national shelters for women who need help to leave violent relationships has been one of the priority programmes of the Government. The first Shelter will be opened in the first quarter of the 24/25 financial year.

The department will launch a campaign to encourage behavioural change and reverse the circumstances that enable, condone, ignore, and treat violence against women as a normal part of life. The campaign will target both women and men, perpetrators of violence, survivors, and people experiencing violence as well as those witnessing it. Aspects will be highlighted through various social media assets and observances such as:

- International Women's Day (March 8)
- Gender Education Week
- International Men's Day (November 19)
- International Day of the Girl Child (October 11)
- Domestic Violence Awareness Month
- 16 Days of activism against Gender-based violence







Her Excellency Dileeni Daniel-Selvaratnam Governor of the Turks and Caicos Islands





RTC Police Band Performing in Grand Turk











Turks & Caicos Vision 2040



Cabinet's Tour to the Twin Islands - Middle Caicos



Bottleneck Creek Clinic - North Caicos



Bellefield Landing Welcome Center - North Caicos



Cabinet's Tour to the Twin Islands - visit at the Conch Bar Clinic



Doris Robinson Primary School in Middle Caicos performs for Cabinet



Old Courthouse Building



Speaker of the house with GDT school children



2024 Carifta Medalist



Deputy Governor engaging students



MOE Career Day - Providenciales



Cheshire Hall Ruins National Park



Premier's Christmas Lunch in Middle Caicos

