



PRESS RELEASE

Ministry of Finance Releases 2024 Fiscal Strategy Report

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Contact: Financemail@bahamas.gov.bs

In keeping with the requirements of the Public Finance Management Act, 2023 the Ministry of Finance has released the 2024 Fiscal Strategy Report (2024 FSR) to the public today on the Ministry of Finance's Budget website.

The report is an annual refresh of the Government's medium-term fiscal framework which shapes the FY2024/2025 budget, annual borrowing plan, and medium-term strategy – based on the macroeconomic projections, fiscal policies and objectives within the fiscal strategy report.

Throughout the FY2022/2023, milestones included the successful containment of the fiscal deficit to \$534.6 million (3.8 percent of GDP), which represents a substantial improvement over initial forecast. By FY2024/2025, the fiscal framework projects a decrease in the deficit to 0.5 percent of GDP, and a balanced budget by FY2025/2026 onwards.

By FY2024/2025, the total amount of revenue collections is projected to be \$3,543.3 million (23.3 percent of GDP). The Government is committed to achieving revenue collections of 25.0 percent of GDP by FY2025/2026 through ongoing efforts to improve Government efficiency via digitization, economic diversification, and enhancements in revenue policy and administration. These efforts are supported by reforms in government collection agencies and ongoing efforts of the Revenue Enhancement Unit (REU).

In FY2024/2025, the total expenditure is expected to be \$3,613.1 million (22.7 percent of GDP), with recurrent and capital expenditure to be 21.5 and 2.3 percent, respectively. The Government aims to limit recurrent expenditure to 20.0 percent of GDP and maintain capital expenditure to 2.3 percent of GDP by FY2025/2026. Expenditure measures prioritize capital projects such as hospitals, digitization of government services to reduce costs, SOEs reform and pension reform.

Through the 2024 Fiscal Strategy Report (2024 FSR), the Government demonstrates its commitment to the principles of accountability, intergenerational equity, responsibility, stability, transparency, and inclusive growth.

The Ministry invites and encourages the public to visit the national Budget Website (www.bahamasbudget.gov.bs) to view the various statistical reports available to the public.