



Regulatory  
Authority  
of Curaçao

ANNUAL REPORT  
**2025**

# IMPAKTO



**Impact begins where clarity is focused, turning insight into a powerful and directed force for change.**



## Driving Meaningful Impact

The Annual Report presents an overview of the Regulatory Authority of Curaçao's (RAC) financial and non-financial results for the 2025 financial year.

It highlights the most significant developments and key events within the market sectors under RAC's supervision. The report also includes RAC's forward-looking perspective on upcoming priorities and anticipated developments.



**Impact moves through  
connected elements,  
driving continuous motion  
and response.**



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Impact is not confined,  
it expands outward,  
influencing everything it  
touches.



# 2025

## At a glance

### OUR REGULATORY OVERSIGHT:



TELECOM



POSTAL SERVICES



ENERGY



AVIATION



HEALTHCARE



INNOVATION BOX



COMPLETED LICENCES

261



ISSUED DECLARATIONS OF NO OBJECTION

50



INSPECTIONS & EVALUATIONS TELECOM

187



TELECOMMUNICATIONS CONCESSIONS GRANTED

2



RAC-REGULATED SECTORS' SHARE OF GDP

25%



**NUMBER OF  
EMPLOYEES: 46**



### TOP 3 DONATIONS:

NATION BUILDING • ARTS & CULTURE • EDUCATION



### TOP 3 REVENUES:

FREQUENCY • CONCESSION • ENERGY REGULATION



**Real impact begins when leadership moves beyond managing the present and starts shaping the future with purpose.**



# 01.

## A Message from the CEO

**In 2025, one word defined our work: “IMPAKTO”.**

Impakto “impact” can be defined as an effect, a change or a benefit. For us as a regulator impact is the result of deliberate action, the effect it creates, the influence it exerts, the force it generates with systems and the significance it holds over time.

Impact is not measured by activity alone. It is measured by the difference we make; in the lives of citizens, in the functioning of markets, and in the resilience of our economy.

At its core, regulation is an act of intervention. A decision is taken, a framework is established, a boundary is defined. While these actions may appear technical or procedural, their implications are far-reaching. As a regulator, we are fully aware that every intervention carries consequences, not only for market participants, but for society as a whole.

Regulatory decisions do not remain confined to policy. They create a ripple effect across sectors and over time. What begins as a regulatory measure translates into concrete outcomes: more affordable and accessible services, improved market discipline, stronger competition, enhanced transparency, and increased public trust. In this way, regulation serves not only as a control mechanism, but also as an instrument for stability and progress.

Some of these effects are immediate and visible, for example in price developments or service quality. Others emerge more gradually, influencing investment decisions, market behavior, and the long-term resilience of systems. Effective regulation therefore requires not only technical expertise, but also a clear understanding of these broader and longer-term implications.

At times, impact is driven by targeted and incremental improvements, a refinement in policy, an adjustment in oversight, or the introduction of a new standard. These actions contribute to structural improvements in how markets function. Over time, such interventions strengthen institutional quality and support sustainable development.

For us at RAC, impact is therefore not an abstract concept. It is reflected in the daily reality of Curaçao, in the affordability of essential services, in the reliability of infrastructure, in the protection of consumers, and in the confidence that both citizens and service providers place in regulated markets.

This is the essence of **IMPAKTO**: ensuring that regulation leads to meaningful outcomes, both in the present and for the future.

#### **Delivering impact through regulation**

The first year of implementing our Strategic Plan 2025–2027, under the theme “Contributing to a Thriving Curaçao,” marked a clear transition from strategic direction to execution. Our mandate was translated into concrete results. We strengthened regulatory frameworks, advanced digital governance, reinforced national resilience, and continued to invest in institutional maturity, all guided by the principle that regulation must create impact.

#### **Regulatory impact in action**

A defining milestone of 2025 was the entry into force of the amended National Decree on Assigned Services (“Landsbelsuit opgedragen telecommunicatiediensten”), through which internet services formally became part of RAC’s regulatory oversight. This development represents a significant step in strengthening the regulatory framework for telecommunications. It enhances consumer protection, increases accountability of service providers, and contributes to a more balanced and competitive market environment.

In parallel, substantial progress was made toward the implementation of Number Portability, scheduled for 2026. This initiative will enable consumers to switch providers without losing their phone numbers, thereby lowering barriers to competition and strengthening consumer choice. It reflects RAC’s continued focus on ensuring that regulation delivers practical benefits to end users.

In the energy sector, RAC maintained a disciplined approach to tariff regulation. In a period marked by global volatility in energy markets, tariffs for electricity, water, and fuels remained stable, contributing to cost predictability for households and businesses. At the same time, RAC continued to oversee critical infrastructure investments, including developments in energy storage capacity and system resilience, ensuring the reliability and continuity of essential services.

Across all regulated sectors, RAC maintained impartial oversight, safeguarded compliance with applicable frameworks and addressed operational and market developments where necessary. This approach reinforces market integrity and contributes to a stable and predictable regulatory environment. These actions illustrate how regulation, when applied consistently and with a clear focus on outcomes, translates into tangible improvements in market functioning and service delivery.

#### **Impact on the economy**

The impact of regulation extends beyond individual sectors and is reflected in the broader performance of the economy.

As follows from figure 1 (on the next page), the sectors under RAC’s supervision, including electricity and water, telecommunications, aviation, fuels, and healthcare form a significant part of Curaçao’s economic structure. These sectors represent a substantial share of national economic activity underscoring their importance to both economic performance and societal well-being.

Effective regulation within these sectors contributes directly to economic stability. By ensuring that essential services are delivered at fair and reasonable prices, while maintaining the financial viability of service providers, RAC supports a balanced and sustainable market environment.

This balance has tangible economic effects.

Developments in regulated utility tariffs during 2025 contributed to easing inflationary pressure, demonstrating the direct link between regulatory decisions and the cost of living.

Lower and more stable prices for essential services not only benefit households, but also reduce operational costs for businesses, strengthening overall competitiveness.

In addition, regulatory interventions influence investment behavior and long-term economic performance. A predictable and transparent regulatory environment provides the certainty required for infrastructure investment, innovation, and market development.

The economic impact of regulation is therefore both direct and indirect. It is visible in price levels, but also reflected in broader outcomes such as purchasing power, employment, and economic growth.

In this way, regulation functions not only as a safeguard, but as a structural contributor to economic resilience and sustainable development.

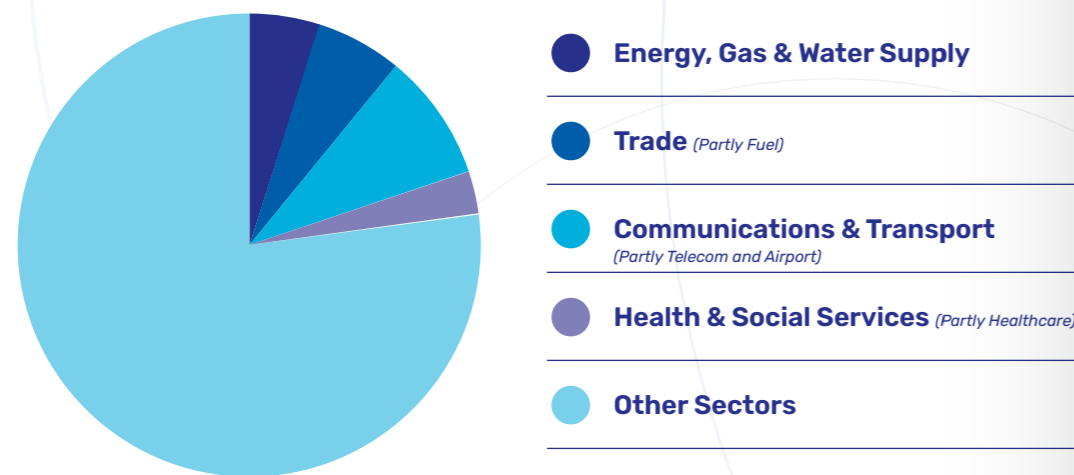


Figure 1 • Source: CBS Curaçao, processed by Economic Bureau Amsterdam

### Impact through digital leadership

Technological developments continue to reshape the environment in which regulation operates. Increasing digitalization, growing data dependency, and the emergence of new technologies require a regulatory approach that is both adaptive and forward-looking.

In 2025, RAC took a significant step in this direction through its formal appointment as coordinator of Curaçao’s National Artificial Intelligence Strategy. This role reflects a broader institutional responsibility, not only to regulate existing markets, but also to contribute to the development of future frameworks that ensure responsible and sustainable innovation.

The completion of the UNESCO Readiness Assessment Methodology (RAM) marked an important milestone in this process. It provides a structured assessment of Curaçao’s readiness for artificial intelligence and forms the basis for the development of a national strategy grounded in ethics, transparency, and coordinated governance.

Through active engagement with international organizations and regional partners, RAC contributes to aligning Curaçao with global developments in digital governance, while ensuring that local priorities and context remain central.

Internally, RAC continued to strengthen its digital foundations. Progress was made in the modernization of ICT infrastructure, the digitalization of licensing and regulatory processes, and the development of an internal AI Policy framework. These initiatives support more efficient operations, improve data-driven decision-making, and enhance the organization’s ability to respond to emerging challenges.

Importantly, these efforts are not driven by technology alone. They are guided by a clear objective: to ensure that digital transformation contributes to effective regulation, institutional resilience, and public trust.

Digital leadership is not an end itself, but a means to strengthen our capacity to deliver impact in an increasingly complex and interconnected environment.

### Impact on national resilience and inclusion

RAC’s impact extends beyond market regulation into the broader resilience and inclusiveness of society. In 2025, important progress was made in strengthening Curaçao’s national preparedness and public safety. A key milestone was the official launch of the national Cell Broadcast system, ALERTA. This system enables the rapid and targeted dissemination of emergency messages, ensuring that citizens can be informed in a timely and effective manner during critical situations.

By enhancing crisis communication capabilities, ALERTA contributes directly to national resilience.

In parallel, RAC continued to address structural challenges related to digital inclusion. Through the “Internet Access for All” initiative further steps were taken to reduce digital inequality among vulnerable households. By combining access to connectivity with digital skills development, RAC contributes to equitable participation in Curaçao’s digital society and economy.

In an increasingly interconnected environment, cybersecurity remains a critical component of resilience. Through our own CARICERT, RAC continued to strengthen awareness, preparedness, and response capacity in relation to cyber threats. By supporting both public and private sector stakeholders, CARICERT contributes to the protection of critical infrastructure and the continuity of essential services.

These initiatives reflect a broader dimension of regulation. Beyond safeguarding markets, RAC contributes to strengthening the foundations of a resilient and inclusive society where access, security, and preparedness are essential conditions for sustainable development.

#### **Laying the groundwork for sustainable systems**

In the healthcare sector, 2025 was characterized by preparation, analysis and institutional development.

RAC continued its efforts toward the establishment of a Healthcare Authority for Curaçao, which is intended to provide a structured framework for the regulation and oversight of the healthcare sector. In parallel, cost price investigations were further advanced, forming the basis for future tariff regulation and improved transparency within the system.

In addition, progress was made in the legislative process related to the draft National Ordinance on Market Regulation in Healthcare. This represents a key step in formalizing the regulatory structure required to support effective oversight and policy implementation by RAC in the sector.

While the impact of these efforts may not be immediately visible, their importance is significant.

They establish the foundation for future decisions that will affect costs, service quality, and the overall performance of the healthcare system.

In this context, RAC’s role extends beyond immediate regulatory action. It includes building the institutional and regulatory structures necessary to ensure that essential systems remain sustainable, transparent, and resilient over time.

#### **Financial stewardship with impact**

RAC concluded the 2025 financial year with a solid financial position, reflecting disciplined management and responsible allocation of resources.

RAC reported a positive net result of Cg 9.1 million (2024: Cg 7.6 million). Total assets amounted to Cg 63.9 million. In accordance with our statutory obligations, RAC transferred Cg 2.55 million (2024: Cg 0.45 million) to the Country of Curaçao during the reporting year.

These results reflect disciplined financial management and prudent resource allocation. An unqualified audit opinion was issued by the independent external auditor, confirming the reliability and integrity of our financial reporting.

This outcome reinforces the transparency and reliability of RAC’s financial reporting.

Financial management within RAC is closely linked to its strategic objectives. By aligning financial planning with regulatory priorities, the organization ensures that resources are directed toward activities that deliver measurable impact.

In this context, financial stewardship for us is not limited to compliance and reporting. It is an integral part of maintaining institutional credibility, supporting operational effectiveness, and enabling RAC to fulfill its role as an independent regulator.

#### **Our People: The foundation of impact**

Behind every regulatory decision stands a dedicated team of professionals. RAC’s ability to deliver impact is ultimately dependent on the expertise, integrity, and commitment of its people. Regulation is not only shaped by frameworks and methodologies, but by the judgment, discipline, and responsibility of those who apply them.

In 2025, RAC continued to strengthen its organizational foundations. Progress was made in integrating risk management into daily operations, advancing the ISO 9001 roadmap, and enhancing internal governance structures. These efforts contribute to greater consistency, accountability, and overall organizational effectiveness.

At the same time, further steps were taken in the development of People & Culture. The focus is evolving from primarily administrative processes toward a more strategic approach, centered on leadership, employee engagement, and long-term capability development. This transition is essential in ensuring that the organization remains adaptable and aligned with its strategic objectives.

A strong organization requires clarity, in roles, in expectations, and in purpose. It also requires a culture that supports collaboration, accountability, and continuous improvement. RAC continues to invest in these elements, recognizing that they are fundamental to sustained performance.

Impact, in this sense, begins internally. It is reflected in how decisions are made, how responsibilities are carried out, and how the organization responds to change.

By investing in our people and our internal foundations, we ensure that RAC remains capable of delivering consistent, reliable, and meaningful outcomes, now and in the future.

### **Looking ahead**

“IMPAKTO” is not a one-year theme. It represents a continued commitment.

As we move into 2026, we will continue to translate regulation into measurable outcomes. Key priorities include the implementation of Number Portability, further development of healthcare regulation, strengthening digital governance, and enhancing Curaçao’s resilience in an increasingly interconnected world.

At the same time, we will continue to build on our role as an independent regulator, ensuring that our actions remain consistent, transparent and aligned with the public interest. In a context of evolving markets and technological change, this requires both stability in approach and adaptability in execution.

The coming period will require continued coordination across sectors, engagement with stakeholders, and alignment with national priorities. RAC remains committed to contributing constructively to these developments, while maintaining its independent position.

At the core of this commitment lies our purpose:

**To guarantee fair and transparent regulation for a thriving Curaçao.**

This purpose continues to guide our Strategic Plan 2025–2027 and remains the foundation of everything we do.

### **Closing**

None of the impact achieved would be possible without the dedication and professionalism of our employees, whose expertise and commitment drive our daily work.

I also extend my sincere appreciation to the Supervisory Board for its guidance, to the Ministers and Government partners for their continued collaboration, and to all stakeholders who engage constructively in shaping a fair and resilient regulatory environment.

Together, we are contributing to stronger institutions and a more resilient Curaçao, laying the foundation for sustainable development, trust in markets, and long-term societal progress.

**Curt Belfor**

CEO



Impact is defined not only by action, but by the lasting marks it creates.

## 02.

### About RAC

**For nearly 25 years, the RAC has operated as an independent supervisory authority, evolving into a central institution within Curacao's regulatory landscape. Originally established to oversee telecommunications and postal services, RAC's mandate has progressively expanded to include energy, aviation tariffs, healthcare advisory, and digital development.**

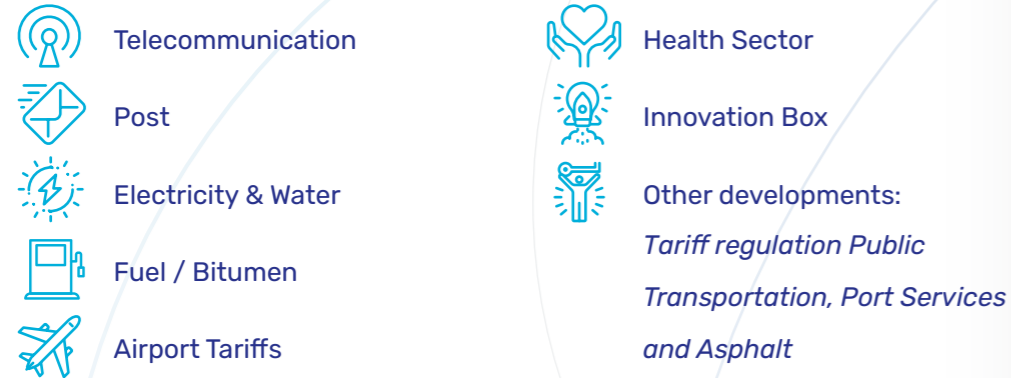
Today, RAC's role extends beyond traditional supervision. It encompasses regulatory enforcement, policy advisory, and active contribution to national development across essential sectors that underpin the functioning of society and the economy.

RAC operates within the framework of applicable legislation. Through effective supervision and regulatory guidance, we promote compliance, transparency, and fair market conduct. However, our role is not limited to enforcing rules. Our objective is to ensure that regulation leads to measurable outcomes, protecting consumers, strengthening trust in regulated markets, and enabling sustainable economic development.

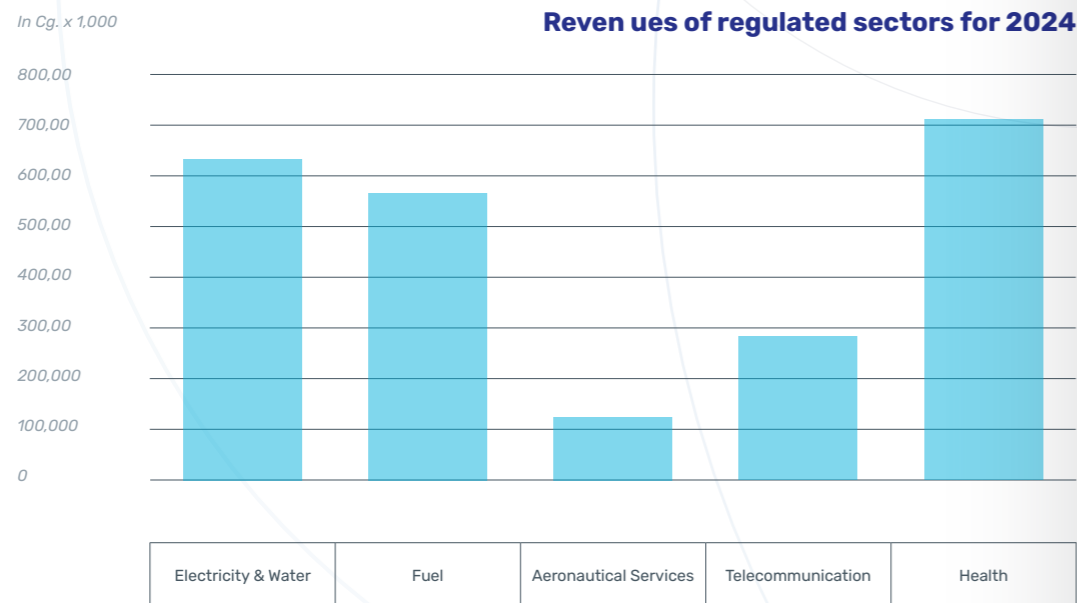
Over time, RAC's scope has broadened significantly in response to evolving market dynamics and societal needs. In addition to supervising regulated sectors, RAC plays an active role in cross-sector initiatives that generate long-term societal impact. In this regard, since 2017, RAC has served as the secretariat of the Smart Nation platform, which plays a central role in advancing Curaçao's digital transformation and innovation agenda.

Today, RAC supervises service providers, products, and market practices within the following sectors entrusted to its authority, ensuring that regulation translates into tangible benefits for society, not only in terms of compliance, but also in the quality, accessibility and reliability of essential services.

### RAC sector-related spheres of activity



The table below summarizes the size and economic weight of Curaçao's RAC-regulated sectors in 2024, showing its monetary value.



## 2.1. OUR STRATEGIC DIRECTION – DRIVING IMPACT

The RAC Strategic Plan 2025–2027 forms the foundation of our efforts to deliver meaningful impact. Developed through a comprehensive strategic review process, the plan is guided by a clear ambition: **“Contributing to a Thriving Curaçao.”**

*This strategic direction defines how RAC generates impact:* by promoting regulatory certainty, fostering competitive markets, protecting consumers, and supporting sustainable economic growth. This impact is also reflected in the contribution of regulated markets to Curaçao's economic performance. In 2024, sectors under RAC's supervision showed varied but significant contributions to economic growth, with aeronautical services (+22.3%), electricity and water (+9.5%), and fuel (+6.2%) acting as key growth drivers, while telecommunications and healthcare recorded modest contractions. This underscores both the economic relevance of regulated sectors and the importance of continued regulatory oversight to support stability and growth.

This strategic plan provides clarity on our role within Curaçao's institutional framework and translates this role into concrete priorities, outcomes, and implementation measures. The plan is built on core principles that reinforce independence, transparency, and forward-looking regulation. By integrating market developments, stakeholder input, and regulatory best practices into decision-making, we ensure that our actions remain relevant and effective in a changing environment.

*To structure our impact,* RAC defined eight strategic objectives:

1. Impartial regulation;
2. Promotion of fair markets;
3. Safeguarding consumer rights;
4. Sustainable development;
5. Engagement;
6. Innovation and adaptation;
7. People and culture;
8. Organizational development.

These objectives guide, decision-making, resource allocation, performance monitoring, and organizational development. Through continuous evaluation and measurable performance indicators, we assess the effectiveness of our actions and ensure that our regulatory efforts result in real, positive outcomes for Curaçao.

The Strategic Plan 2025–2027 is reviewed periodically to maintain alignment with market dynamics, compliance requirements, and national policy priorities. Each year, the strategy is translated into the annual budget and a performance agreement, which is reviewed by the Supervisory Board and submitted to the Minister of Traffic, Transport and Urban Planning (VV&RP) for approval. In this way, strategic direction is directly linked to operational execution, measurable results and accountability.

## 2.2. RISK- AND QUALITY MANAGEMENT

In 2025, RAC continued to embed risk and quality management as core elements of its organizational approach. These disciplines are essential in ensuring that regulatory activities are carried out in a consistent, reliable, and accountable manner.

The organization further advanced its roadmap toward ISO 9001 certification, reinforcing its commitment to internationally recognized quality standards. The development of a structured quality management system enhances process consistency, supports continuous improvement, and strengthens organizational discipline.

At the same time, risk management has become more integrated within planning and decision-making processes. Risks are increasingly identified and addressed at an early stage, enabling better alignment between operational activities and strategic objectives. This contributes to more informed decision-making and improved organizational resilience.

Human capital remains a key factor in effective risk and quality management. Ensuring that teams are adequately skilled, equipped, and aligned with organizational priorities is critical to achieving consistent performance.

In addition, RAC initiated improvements in technical inspection processes, including standardization of criteria, enhanced documentation, and strengthened compliance monitoring. These measures contribute to more robust supervisory outcomes and reinforce credibility.

By embedding risk and quality management into its daily operations, RAC strengthens its capacity to deliver reliable and sustainable impact.

## 2.3. OUR PEOPLE AND CULTURE

RAC's ability to deliver impact is ultimately determined by its people. Behind every regulatory decision stands a team of professionals whose expertise, integrity, and commitment shape the organization's effectiveness.

The Collective Labor Agreement (CLA), which entered into force on January 1, 2024 for a three-year period, continues to provide a stable foundation for employee well-being and working conditions. The agreement reflects a shared commitment to fostering a supportive and fair work environment while enabling RAC to pursue its strategic objectives.

### Steady Progress in 2025

While 2024 marked the beginning of a broader cultural shift, 2025 was characterized by deliberate and measured progress. Rather than accelerating change beyond the organization's capacity, RAC focused on advancing People & Culture priorities at a pace aligned with workforce readiness and operational stability. This approach ensured continuity while gradually strengthening the foundation for organizational modernization planned for 2026.

### Repositioning toward a modern people & culture function

In 2025, RAC further advanced the repositioning of HR toward a modern People & Culture model. Although the full transformation remains in development, the year clarified the direction, scope, and expectations of People & Culture as a strategic partner in leadership development, culture-building, and employee experience. The emphasis shifted from administrative execution toward long-term capability development, values alignment, and workforce engagement.

### Employer identity and talent positioning

An important milestone in 2025 was the establishment of RAC's employer identity. This defined a clear and authentic narrative of who RAC is as an employer and what it offers its workforce. The employer identity now guides recruitment communication, onboarding narratives, and talent-facing messaging, strengthening RAC's positioning in the labor market. In line with this identity, RAC participated in a career fair in the Netherlands as part of its broader employer positioning efforts, engaging Curaçao's diaspora and internationally educated professionals.

### Digital HR infrastructure - Employee portal of RAC

Operational improvements were also achieved through the implementation of a Human Resource Information System (BambooHR), internally rebranded as the Employee Portal of RAC. Employee data was migrated, structured internal communications were delivered, and an implementation roadmap was completed. This digital infrastructure enhances efficiency, improves data management, and prepares the organization for further automation and data-driven HR processes in the next years.

### Performance management and development

A redesigned performance management framework was developed in 2025, shifting the focus toward continuous feedback, employee development, and alignment with RAC's core values. The framework and supporting materials were finalized in 2025, with full rollout and manager training scheduled for 2026.

In addition, an online Learning Management System (LMS) was implemented as a foundational step toward a more structured and accessible learning environment. The official launch and content rollout are planned for 2026.

### **Onboarding and cultural integration**

RAC also redesigned its onboarding experience to better reflect its employer identity and people-centered philosophy. The renewed onboarding journey includes a CEO welcome narrative, an organizational storyline, onboarding materials, and interactive elements. Implementation is scheduled for 2026. Throughout the year, RAC facilitated social and team-building activities to maintain engagement and connection during a period of steady change. These initiatives strengthened relationships, reinforced morale, and supported a cohesive organizational culture.

### **Looking ahead**

2025 was not a year of rapid transformation, but one of intentional and structured progress. By prioritizing stability while advancing modernization, RAC strengthened its People & Culture foundation and positioned itself for deeper implementation and structural enhancements in 2026.

*Through continued investment in its people, RAC reinforces that organizational resilience and long-term impact begin with a strong, engaged, and future-ready workforce.*

## **2.4. ICT AND ARTIFICIAL INTELLIGENCE**

Strategic objective #6, *Innovation and Adaptation*, continues to guide RAC's approach to digital development. In a regulatory environment shaped by technological change and increasing connectivity, reliable and secure ICT capabilities are essential to sustaining effective oversight and service delivery.

### **Strengthening digital foundations in 2025**

During 2025, RAC focused on reinforcing its digital foundations to enhance operational continuity, system reliability, and internal efficiency. Modernization efforts targeted core communication systems, key business applications, and network performance.

These improvements reduced dependency on legacy infrastructure, strengthened resilience against operational disruption, and improved collaboration across the organization. By ensuring greater stability and performance of critical systems, RAC enhanced its capacity to operate effectively in a digitally driven environment.

In parallel, digitalization efforts progressed within the licensing and registration processes. In 2025, further steps were taken toward the full digitalization of all types of license applications. This includes the digital processing of Declarations of No Objection for the construction of solar installations for non-commercial generation of sustainable electricity. These developments contribute to greater efficiency, transparency, and accessibility of regulatory services.

### **Enabling efficiency and future readiness**

Technology initiatives in 2025 aligned with broader organizational priorities, including process optimization and digital enablement. By improving system integration and infrastructure robustness, RAC created a more stable platform for future automation and workflow enhancements. At the same time, attention was given to strengthening digital security and infrastructure resilience to safeguard operational integrity and support business continuity.

Infrastructure assessments conducted toward the end of 2025 confirmed the need for continued modernization to align with RAC's strategic objectives for the 2025–2027 period. As a result, further upgrades and digital enhancements are planned for 2026, aimed at improving scalability, integration, and long-term sustainability.

### **Internal AI Policy for organizational development**

Building upon strengthened digital foundations, 2025 also marked an important step in RAC's internal readiness for Artificial Intelligence (AI).

AI presents significant opportunities for enhanced decision-making, more efficient processes, and improved service delivery. At the same time, it introduces ethical, privacy, and security considerations that require clear governance. Recognizing both the opportunities and responsibilities associated with AI, RAC developed a draft internal AI Policy in 2025 to provide structured guidance for responsible implementation within the organization. The policy establishes a framework for the ethical and strategic use of AI, including guidelines for development, oversight, transparency, and accountability. It emphasizes collaboration across the organization and promotes inclusivity in the deployment of AI solutions. A central objective is to avoid fragmented or ad hoc implementation and instead ensure that AI applications are aligned with RAC's strategic goals and public mandate.

The draft policy forms the foundation for an integrated AI governance approach within RAC, focusing on:

- Clear AI governance structures within the organization;
- Competency development and cultural readiness;

- Broad engagement and support among employees;
- Responsible, transparent, and sustainable use of technology;
- Strengthening AI literacy across the organization.

By taking these preparatory steps, RAC ensures that AI adoption is deliberate, ethical, and aligned with its regulatory responsibilities. Rather than pursuing rapid experimentation, the organization is laying the groundwork for sustainable and responsible innovation that enhances internal capacity while safeguarding public trust.

## 2.5. OUR TECHNICAL INFRASTRUCTURE

RAC's technical infrastructure and associated policies form a critical component of its mandate as a technical regulatory authority, particularly within the telecommunications sector. Effective measurement, monitoring, and oversight remain essential to safeguarding compliance, ensuring service quality, and maintaining market integrity.

Within this sector, inspections, frequency monitoring, and technical assessments constitute an integral part of RAC's supervisory responsibilities. A reliable and up-to-date technical infrastructure enables inspectors and specialists to carry out these tasks effectively and consistently.

Maintaining modern and fit-for-purpose technical capabilities is necessary to meet evolving regulatory requirements. This includes ensuring that measurement and testing equipment effectively support inspections, technical evaluations, frequency monitoring, and the resolution of complaints and service disruptions. In addition, the technical infrastructure facilitates the assessment of concession applications and requests related to the installation of telecommunications equipment and network infrastructure.

In 2025, RAC continued to assess the adequacy of its technical resources to ensure alignment with current regulatory standards and future sector developments. Identified areas for improvement will be addressed progressively in the coming years as part of RAC's ongoing commitment to innovation, adaptation, and regulatory effectiveness.

In parallel with these forward-looking efforts, targeted infrastructure improvements were also implemented during the reporting year to enhance operational resilience, safety compliance, and energy efficiency, further strengthening RAC's capacity to perform its technical oversight effectively.

A summary of key statistics related to technical oversight in the telecommunications sector is presented in Section 3.3.

## 2.6. COMMUNICATIONS AND PUBLIC ENGAGEMENT

Clear and transparent communication is essential to effective regulation. In 2025, RAC further strengthened public understanding of its role as an independent regulator, in line with its mission to contribute to a prosperous Curaçao.

A key development during the reporting year was the modernization of the National Decree on Designated Telecommunications Services, through which internet services were formally included within the regulatory framework. RAC provided clear and accessible information on the scope of its supervisory responsibilities, the obligations of service providers, and the applicable complaints procedures. This contributed to realistic expectations and improved public clarity regarding roles and responsibilities.

In 2025, the effectiveness of communication tools was assessed through a combination of digital performance data and qualitative feedback. The insights gained will support more targeted communication and continued strengthening of public trust.

In the reporting year, work commenced on a more cohesive communication framework under the concept "*RAC. Our Future in Motion.*", linking RAC's mission and core values to its future development.

Through these efforts, RAC continued to promote transparency, institutional maturity, and public confidence.

### Reflection and outlook

In 2025, RAC focused on clearly communicating changes with societal impact, strengthening internal communication, and aligning outreach efforts with its 2025–2027 strategic direction. These efforts supported transparency, institutional development, and public understanding of RAC's mandate.

In 2026, further emphasis will be placed on visibility, milestone communication (including the anniversary year), and continued strengthening of public trust in RAC as an independent, future-oriented regulator contributing to a prosperous Curaçao.



**Impact is measured not just by the strike, but by how far and long it carries.**

# 03.

## Our regulatory oversight in 2025

### 3.1 REGULATION AND LEGISLATION

Effective oversight of essential public services remains vital to the proper functioning and resilience of the market. Such oversight serves multiple objectives, including safeguarding universal service obligations, promoting market accessibility, protecting end-user rights, ensuring affordability and quality of service, securing continuity of supply, fostering fair competition, and preventing market abuse.

A robust and up-to-date legal framework is indispensable to effective supervision. Continuous legislative development remains necessary to address evolving market dynamics and emerging risks. In several sectors, particularly electricity, drinking water, and fuels, regulatory gaps remain underscoring the need for further refinement and modernization of the applicable legal framework.

In this context legislative development remained an important priority in 2025. A new National Ordinance on Energy Supply is currently being developed by the Ministry of Economic Development, with input provided by RAC. Additionally, preparations continued for a new National Ordinance on Electronic Telecommunications.

Progress was also made in the legislative process for the establishment of a new healthcare authority. The relevant draft national ordinance has been prepared and is currently undergoing the required procedural review. In parallel, the National Ordinance Bureau Telecommunicatie en Post (P.B. 2023, no. 50 (GT)) will need to be amended to reflect the expansion of RAC's mandate. During the reporting year RAC provided the necessary initiatives in this regard.

All proposed legislation, except for the National Decree on Assigned Telecommunications Services, must still undergo review by the relevant advisory bodies before entering into force.

### 3.2. OUR REGULATORY OVERSIGHT IN FIGURES

The financial policy adopted by the Managing Board is reflected in the manner in which RAC acquires, manages, and deploys its resources throughout the reporting year. The legal framework governing the generation of these resources is established in the National Ordinance Bureau Telecommunication and Post.

RAC allocates its resources to ensure the effective execution of its statutory mandate, support operational continuity, and facilitate necessary investments in capital assets. This disciplined approach enables the organization to carry out its supervisory responsibilities efficiently and sustainably.

#### **Economic context of RAC-regulated markets**

RAC-regulated markets represent a meaningful component of Curaçao's economic structure. Based on recent economic analysis, the sectors under RAC's supervision – electricity and potable water, telecommunications, aviation, fuel distribution, and healthcare – together accounted for approximately 25% of national GDP in 2024. Utilities represent the largest regulated market, followed by telecommunications and healthcare, illustrating the economic importance of infrastructure and essential services for the functioning of the national economy.

Although regulated sectors represent a smaller share of total economic activity compared with non-regulated industries, their societal relevance extends well beyond their direct economic contribution. These sectors provide essential services that support households, businesses, and public institutions. Effective regulation therefore plays a critical role in safeguarding service reliability, protecting consumers, promoting fair competition, and ensuring the long-term sustainability of key infrastructure.

Developments in regulated utility tariffs also influence broader economic indicators. In 2025, energy and water tariffs contributed to downward pressure on the Consumer Price Index (CPI), reflecting lower utility costs compared with prior periods. This demonstrates how regulatory decisions can have a direct impact on the cost of living and economic stability in Curaçao.

#### **Budgeting, financial planning, and reporting**

The annual budget constitutes the primary instrument for planning and allocating resources. It translates strategic priorities into operational execution and forms the basis for financial management and reporting.

Oversight of this process is exercised by the Managing Board, ensuring transparency, financial accountability, and the prudent use of public funds.

In accordance with applicable regulations, the budget is submitted for ministerial approval prior to the start of the reporting year. Upon completion of the fiscal year, the financial statements are presented to the Minister of Traffic, Transport and Urban Planning (VV&RP) as part of RAC's accountability framework.

For the 2025 reporting year, the budget was formally approved following a no-objection statement issued by the Supervisory Board. The execution of financial policy throughout the year is reflected in the 2025 financial statements, which constitute the formal financial accountability documentation accompanying this Annual Report. These financial statements include, among other components, capital investments, operational costs, received compensations, and statutory reserves.

#### **Operating results, assets, and liabilities**

The fiscal year concluded with a positive net result of Cg 9.1 million (2024: Cg 7.6 million). The increase of Cg 1.5 million compared to 2024 is mainly attributable to higher frequency license fees and aviation regulation fees. RAC's financial position strengthened, with total balance sheet value increasing by Cg 7.6 million, reaching Cg 63.9 million, primarily driven by an increase in other receivables and cash and cash equivalents. This growth was largely financed through the designated reserve and retained earnings.

#### **Revenue**

Total revenue (compensations) amounted to Cg 28.6 million, representing an increase of Cg 1.7 million compared to 2024 (Cg 26.9 million) and exceeding the budgeted amount of Cg 25.7 million.

#### **Expenses**

Total personnel expenses remained in line with the prior year, and were Cg 2.3 million below budget (2024: also Cg 2.3 million under budget). Further details are provided in the notes to the financial statements, which include a comparative overview of 2025 and the preceding year.

#### **Net Contribution to the Country of Curaçao**

Based on the actual net compensations received in 2025 (i.e., after deducting operational and infrastructure expenses and any allocation to statutory reserves), RAC remits an annual financial contribution to the Country of Curaçao.

For the 2025 reporting year, a total of Cg 2.55 million was transferred to the national treasury (2024: Cg 0.45 million). Further details on these contributions are outlined in the financial statements disclosures.

#### **Independent auditor's report**

In addition to the internal audits conducted during the reporting year by RAC's Internal Audit function, the financial records are annually audited by an independent external auditor.

The purpose of the external audit is to provide independent assurance regarding the fairness of the financial statements, including their accuracy, completeness, and timeliness. This layered approach to oversight forms an essential component of RAC's accountability framework and reinforces transparency in financial reporting. Following completion of the audit, the financial statements are issued together with the independent auditor's report.

For the 2025 financial year, the independent external auditor, EY, issued an unqualified audit opinion. This confirms that RAC's financial statements present a true and fair view and comply with the relevant applicable financial standards. The audited financial statements, including the accompanying unqualified audit opinion, form an integral part of this report.

### **3.3. TELECOMMUNICATIONS**

As outlined in Chapter 2, BTP (now RAC) was established in 1996 and entrusted with the mandate to exercise regulatory oversight over the telecommunications sector. Since then, the sector has undergone significant transformation, driven by technological advancements and increasing reliance on digital connectivity.

#### **Update on the draft Telecommunications Ordinance**

The proposed Telecommunications Ordinance is intended to modernize the regulatory framework and align it with current and future market dynamics. The draft legislation focuses on promoting market development, enabling high-quality electronic communications networks, and fostering effective competition in services.

In addition, the ordinance introduces a clearer distinction between passive and active telecommunications infrastructure, supporting more efficient network operation and facilitating infrastructure sharing. It further recognizes broadband connectivity as a foundational element of the digital economy and reinforces principles such as open internet access and Curaçao's competitive positioning within the region.

During 2025, particular attention was given to the implementation of the National Decree on Assigned Services, as further elaborated below,

to address priority regulatory matters within the telecommunications sector. The legislative process concerning the revision of the Telecommunications Ordinance is expected to resume in 2026.

#### **National Decree on Assigned Services**

A key regulatory milestone in 2025 was the entry into force of the amended National Decree on Assigned Services (Landsbesluit opgedragen diensten). This development represents a structural expansion of RAC's mandate. As a result, internet services are now formally subject to regulatory oversight, alongside traditional voice services. This reflects the essential role of internet connectivity in modern society and extends regulatory protections to a broader segment of the market.

The decree also provides the legal basis for the introduction of Number Portability. While not yet implemented, this measure is currently under preparation in close consultation with telecommunications operators. Its introduction will enable consumers to retain their phone numbers when switching providers, thereby reducing switching barriers and strengthening competition.

The extension of regulatory oversight to internet services, combined with the forthcoming implementation of Number Portability, represents a significant step in strengthening the telecommunications framework in Curaçao.

These measures contribute to improved consumer protection, increased transparency, and a more competitive market environment. They also support innovation and investment by providing greater regulatory clarity and predictability.

During the 2025 reporting year, RAC made tangible progress toward its supervisory objectives within the telecommunications sector, reinforcing both market functioning and service quality.

- **Telecommunications market analysis**

A well-functioning market for electronic communications networks and services remains a core objective of RAC. Achieving this requires continuous and in-depth monitoring and analysis of market developments, assessments of risks and trends, and timely adaptation of regulatory approaches.

Throughout 2025, RAC conducted various market studies based on internal market intelligence as well as data obtained from concession holders through reporting obligations and annual ITU questionnaires. These analyses support evidence-based regulatory decision-making and contribute to a better understanding of sector developments.

### *Promotion of fair markets and International engagement*

RAC also continued its role in promoting transparency through the publication of market information and benchmarking of local ICT developments against international trends. This report supports evidence-based decision-making by telecommunications operators, the Central Bank of Curaçao and Sint Maarten (CBCS), the Central Bureau of Statistics (CBS), the Chamber of Commerce, the Smart Nation Platform Curaçao, the Ministry of Economic Development (MEO), and other public institutions. By contributing data to international organizations such as the ITU, the Caribbean Telecommunications Union, the World Bank, and other benchmarking institutions, RAC also ensures that Curaçao remains visible in global and regional ICT comparisons and policy discussions.

#### • **Impartial regulation of telecommunications services**

In 2025, RAC strengthened its regulatory supervision across fixed/local, mobile, and long-distance infrastructures, safeguarding compliance with concession obligations and ensuring continuity and quality of services.

### *Flow*

RAC actively supervised Flow's operations, particularly following service interruptions resulting from network continuity challenges. RAC managed and intermediated during outages affecting mobile, fixed, and data center operations.

Before granting approvals for Flow's proposed migration toward a regional integrated network architecture, RAC conducted detailed technical and regulatory assessments.

Key considerations included:

- Continuity of services;
- Physical availability of core network elements;
- Cloud deployments;
- Data privacy safeguards;
- Legal intercept compliance.

RAC also handled requests for additional mobile frequency assignments and prepared groundwork for future 5G spectrum allocation.

Furthermore, RAC assessed adaptations to pricing packages, customer migrations to new service bundles, and addressed multiple consumer complaints regarding internet service quality.

### *Digicel*

Digicel continued expanding its fiber-optic infrastructure in 2025, extending services to additional neighborhoods across Curaçao. RAC maintained supervisory oversight to ensure compliance with regulatory requirements and service standards.

### *TerraMobile*

RAC provided regulatory analysis and advice regarding TerraMobile's network configuration and rollout planning. Discussions were held to clarify delays in deployment schedules. Additionally, RAC assigned specific mobile number series and signaling network codes to facilitate TerraMobile's interconnection with other operators.

### *Aquatel-Qonekt*

Following extensive evaluations, Aquatel N.V. was granted a concession to deploy telecommunications networks and provide fixed/local- telephony and internet, and long-distance services. RAC remains closely engaged to monitor developments and provide ongoing regulatory guidance.

### *Starlink*

In response to emerging Non-Terrestrial Network (NTN) technologies, RAC updated technical requirements applicable to satellite internet services.

RAC engaged in detailed legal and technical discussions with Starlink to:

- Clarify Curaçao's regulatory framework, including Direct-to-Device (D2D) considerations;
- Obtain additional information on network architecture and service provisioning;
- Guide the licensing process in accordance with national requirements.

#### • **Safeguarding critical infrastructure**

Telecommunications infrastructure is fundamental to Curaçao's economy and social stability. As reliance on broadband networks, cloud services, and Internet-of-Things (IoT) technologies increases, safeguarding network continuity has become increasingly critical.

### *Network continuity obligations*

Concession holders are legally required to ensure proper technical maintenance of telecommunications infrastructure and to implement adequate backup and fallback systems to guarantee continuity and quality of service, including during power interruptions or technical failures.

RAC monitors compliance with these obligations through technical oversight, review of contingency arrangements, and, where necessary, enforcement measures to ensure service continuity and reliability.

### *Technical requirements for resilience*

In 2025, RAC developed a structured framework introducing tier classifications for ICT operations and services. The framework incorporates international guidelines and best practices and defines a minimum set of requirements for operators managing critical infrastructure.

These measures aim to strengthen structural resilience within the telecommunications sector and establish a more systematic approach to network continuity across the industry.

- **Enabling innovation and safety**

In 2025, RAC created regulatory space to enable the deployment of European-based wireless fire detection and alarm systems in Curaçao. These systems, originally designed for ITU Region 1, required careful technical assessment to ensure compatibility within the Region 2 regulatory environment.

By facilitating their lawful implementation, RAC:

- Contributes to the general safety of the population;
- Supports the protection of historic buildings and cultural heritage sites; and
- Strengthens the resilience of commercial properties through more flexible and modern fire safety solutions.

Through this initiative, RAC demonstrated its capacity to adapt regulatory frameworks to technological innovation while maintaining compliance with international spectrum standards.

- **New subsea cable project**

At the end of 2024, RAC initiated a strategic project to explore the development of new submarine cable connections for Curaçao.

This initiative aligns with RAC's commitment to strengthening the island's digital infrastructure and supporting a resilient, future-proof economy.

As part of the project, RAC conducted a comprehensive study of the existing submarine cable landscape and shared its findings with the Minister of Traffic, Transport and Urban Planning (VVRP). The results contributed to the development of a national strategy for international fiber-optic connectivity.

RAC's recommendations focus on ensuring:

- Affordability for end users;
- Continuity and resilience of international internet access;

- Increased capacity to support the digital economy and emerging technologies, including AI;
- A more competitive and inclusive market structure.

The study also assessed the current market framework for submarine cable ownership and highlighted the need for greater transparency and increased market diversity. Central to this initiative is the recognition of the consumer's right to reliable connectivity and meaningful choice among providers.

By advocating for a diversified and modern cable ecosystem, RAC aims to strengthen market resilience, reduce systemic risks, and support Curaçao's position in the global digital landscape. The new submarine cable project in Curaçao is scheduled for completion in 2027.

- **Consumer Rights and Number Portability**

Number Portability is formally embedded in the National Decree on Assigned Telecommunications Services, obligating concession holders to offer portability services.

RAC continued preparations in 2025 toward implementation in 2026. Significant milestones were achieved under the multi-year implementation plan initiated in 2021.

### **Market consultation**

Multiple consultation sessions were held with industry stakeholders to define the Service Agreement and Business Rules essential for implementation. These consultations focused on protecting end-user interests, service quality, and operational efficiency. Stakeholders were requested to submit final input to enable completion of this phase in the first quarter of 2026.

### **Implementation roadmap**

Following completion of the consultation phase, implementation will move forward with finalizing testing procedures, preparing customer communication, resolving technical integration matters (including third-party and legal intercept requirements), deploying the portability solution, and training operator staff to ensure a smooth operational rollout.

Final testing and operational preparations will include system integration, public communication campaigns, formal launch planning, and post-launch monitoring.

Once implemented, Number Portability will enhance consumer choice, promote fair competition, and strengthen market dynamism in Curaçao's telecommunications sector.

- **Spectrum monitoring and consumer protection**

During 2025, RAC continued the implementation of its new spectrum monitoring system, which provides improved visibility into spectrum use and allows more effective detection of interference and violations. This strengthens RAC's monitoring, compliance, and enforcement capacity and supports the proper functioning of telecommunications services used daily by consumers and businesses.

At the same time, RAC advanced the modernization of its remote monitoring stations, further enhancing its technical ability to conduct localized measurements and targeted investigations.

Consumer protection was also strengthened through the development of a measurement system for fixed internet quality. This initiative, introduced in support of the amended telecommunications framework, is intended to verify compliance with provider obligations, provide objective evidence of service performance, and enhance transparency in the fixed broadband market.

Through this initiative, RAC delivers tangible improvements in consumer protection and accountability within the telecommunications sector.

### **Strategic Impact in 2025**

Throughout 2025, RAC reinforced market transparency, strengthened regulatory oversight, enhanced infrastructure resilience, and advanced consumer rights initiatives. Together, these efforts contribute to a more competitive, reliable, and future-ready telecommunications sector for Curaçao.

### **Administrative and technical supervision**

The overview below presents key statistics relating to RAC's technical supervision within the telecommunications sector. The data include:

- applications for new concessions, modifications, or revocations;
- applications for new licenses, modifications, or revocations;
- inspections and evaluations conducted by RAC;
- complaints and disruptions investigated by RAC.

#### *Concessions*

In the reporting year, a total of six new concession applications were received (for local, long-distance, and mobile telecommunications) compared to one application in 2024 (for long-distance telecommunications). Of the six concession applications received, four were submitted by existing concession holders whose concessions will soon expire, and two were new applications. Two concessions were granted in 2025

to the new concession holder Aquatel N.V. The remaining applications are currently being processed by RAC. No requests for concession modifications or revocations were submitted during the reporting year.

#### *Licenses*

Regarding licenses, a total of 290 applications were submitted in the reporting year (compared to 231 in 2024), including 228 new applications, 28 modifications, and 34 revocations. Of these, a total of 261 applications were processed in 2025, including applications from prior years.

In 2025, the total number of license applications increased compared to the prior year, mainly due to more applications for licenses for recreational ship stations.

#### *Inspections and examinations*

In the reporting year, RAC conducted a total of 195 inspections and 1,677 examinations, representing a significant increase compared to 2024, when 872 were carried out. The inspections and examinations mainly related to drones, type approvals, and recreational vessels.

#### *Investigated complaints and malfunctions*

The investigation of complaints and technical malfunctions related to telecommunications equipment remains essential to ensure reliable and efficient service delivery within the telecommunications sector, given its social and economic importance. RAC continues to prioritize the timely handling and resolution of complaints and malfunctions. As a general standard, technical malfunctions are expected to be resolved within three days, safeguarding service continuity and maintaining public confidence in telecommunications services.

In the reporting year, 50 complaints (2024: 6) and 15 malfunctions (2024: 6) related to radio communication frequencies and networks were received and investigated. The higher number of complaints compared to 2024 is mainly attributable to technical issues experienced by Flow, affecting its customers.

### **3.4. POSTAL SERVICES**

RAC's supervisory responsibility for the postal sector, incorporated into its mandate in 1998, continues to ensure compliance, service quality, and alignment with international obligations.

As a member of the Universal Postal Union (UPU), Curaçao is bound by international commitments governing the exchange and transport of letters between member states. Cpost International holds an exclusive concession for the transport of letters up to 2,000 grams.

In addition to Cpost, courier services may provide similar services, subject to compliance with specific regulatory conditions, including registration with RAC and adherence to applicable letter and parcel criteria. Oversight of courier services remains ongoing. Since 2018, a dedicated working group has supported efforts to strengthen regulatory compliance and address illegal courier activities.

Curaçao is also represented within the Unión Postal de las Américas, España y Portugal (UPAEP), an intergovernmental organization comprising 28 member countries. UPAEP promotes technical cooperation among postal administrations and regulators and safeguards the interests of its regional members. Following Curaçao's election in October 2021 to chair UPAEP for a four-year term, the CEO of RAC continues to serve as chair on behalf of Curaçao. In 2025, the final meeting of this term was held, formally concluding the Curaçao cycle of leadership. Following the completion of its term, Curaçao will continue to contribute to the work of UPAEP in the role of Vice-Chair, ensuring continuity and ongoing engagement at the executive level. The chairmanship will formally transition to Portugal in 2026.

The Universal Postal Union Congress that was held in Dubai marked a pivotal moment for shaping the future of the global postal sector, bringing together 192 member countries to adopt new strategies and regulatory frameworks. Participation by Curaçao, Aruba, and Sint Maarten reinforced the importance of regional cooperation and demonstrated a shared commitment to modernization, innovation, and sustainability within the postal network.

Key outcomes included the adoption of the UPU Strategy 2026–2029, with a strong emphasis on digitalization, regionalization, and operational resilience across member states. The Congress also introduced significant reforms to postal services, including updated standards, remuneration systems, and governance structures to enhance efficiency and service quality worldwide. Overall, the Congress highlighted the evolving role of postal services as a critical enabler of economic development and connectivity, aligning closely with RAC's broader mission of fostering sustainable and forward-looking regulation. At Sint Maarten's request, Curaçao acted as head of delegation.

### 3.5. ENERGY

The energy sector remains one of the most critical pillars of Curaçao's economy and daily life. Since the expansion of RAC's mandate in 2009, the organization has exercised regulatory oversight over the production, distribution, and supply of electricity and potable water, as well as the distribution of fuels.

Given the essential nature of these services, regulation in this sector must balance multiple public interests. Affordability for end users, operational efficiency, continuity of supply, investment in infrastructure, and long-term sustainability must all be safeguarded within a coherent regulatory framework.

In 2025, RAC continued to focus on these priorities across the electricity, potable water, and fuels subsectors. Regulatory action was directed toward maintaining tariff stability, strengthening system resilience, supporting transparency, and ensuring that critical infrastructure remains capable of meeting both present and future needs.

The following sections outline the principal developments in 2025 within the electricity, potable water, and fuel sectors, and the manner in which RAC's oversight contributed to stability, affordability, and sustainability.

#### 3.5.1. Electricity and potable water

RAC advises the Minister responsible for energy affairs on the regulation of electricity and potable water, particularly with respect to tariffs and specific quality standards relating to the transport, distribution and supply.

##### Tariff regulation

The tariff regulation for the provision of electricity and potable water is determined according to the Pricing Ordinance (P.B. 2024, no. 101 (GT)). Throughout 2025, the electricity and water tariffs consisted of two components: the base tariffs and the fuel clauses.

The base tariffs for electricity and water are structured to cover Aqualectra's operational expenses and a reasonable rate of return on its production, distribution and supply activities. Fuel-related operating expenses are not included in the base tariffs and are addressed separately through the fuel clause. The fuel clauses cover the fuel costs for the production of electricity and water, as well as the purchases from third parties such as wind and solar energy.

RAC aims to achieve a positive and lasting impact on the community and economy. Through its work, RAC strives to protect consumer interests, sets and enforces regulation on industry players, and supports policy goals and economic stability on behalf of the government.

During 2025, tariffs for electricity and water were kept at a stable level to ensure affordability for end users. Regarding the reliability of the utility services, a new Battery Energy Storage System (BESS) of 25 MW/45 MWh was installed by Aqualectra to meet capacity demand and absorb significant fluctuations if needed. As the regulator RAC continually oversees these types of investments, guaranteeing accessibility to the utility services.

**Base tariffs**

The 'Policy regulation of the base tariffs electricity and water' as adopted on April 12, 2017 by the Council of Ministers establishes the fundamental principles, calculation model and evaluation process for determining the base tariffs. As stipulated in the policy, the base tariffs are reviewed on an annual basis and will be adjusted when necessary.

The ex ante evaluation over the year 2025 was drafted and presented to Aqualectra for consultation.

The basis of the advice was to maintain unchanged base tariffs for both electricity and water.

In 2025, the ex post evaluation over the year 2022 was consulted with Aqualectra, while the evaluation over 2023 was prepared and drawn up.

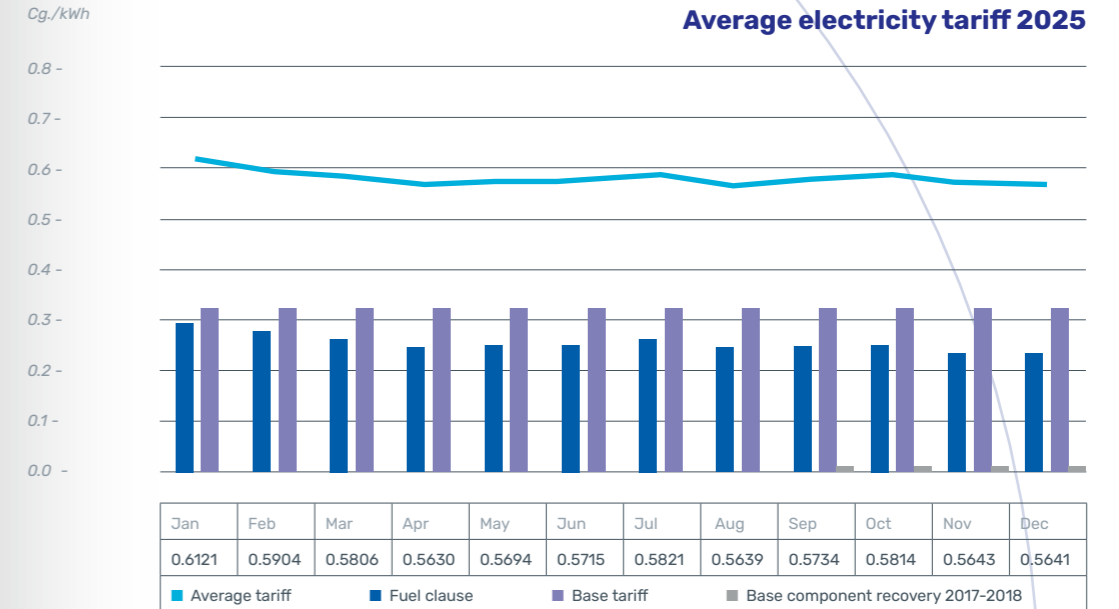
A temporary recovery component of Cg 0,01 per kWh was introduced per September 1st, 2025 in the base tariff for electricity to cover under coverages in the base tariff of the years 2017 and 2018.

**Fuel clauses**

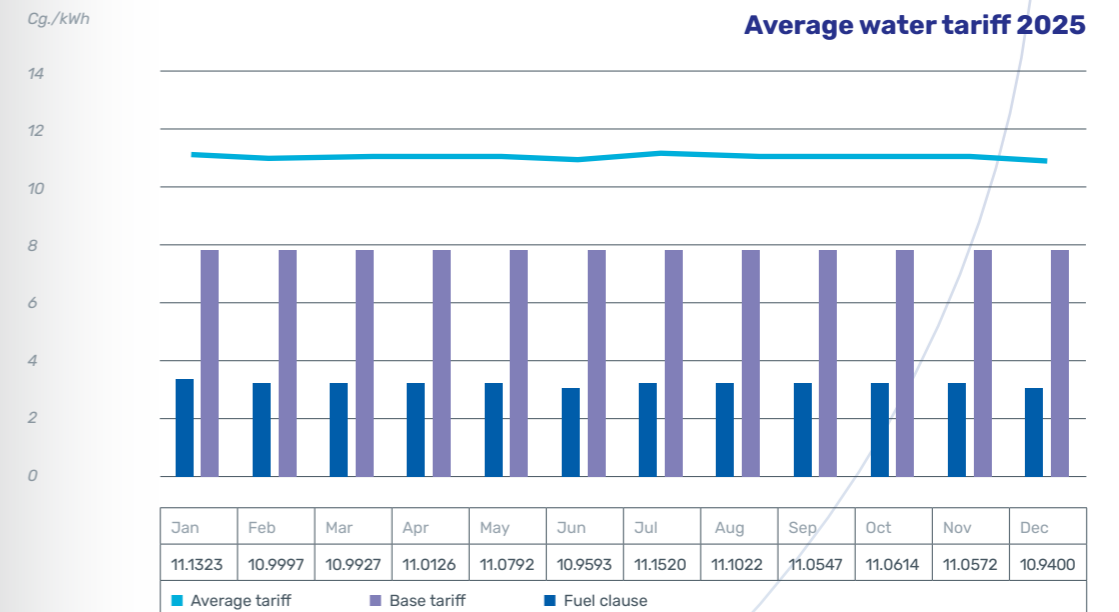
According to the 'Policy fuel clause electricity and water', the fuel clauses, as part of the electricity and water tariffs, shall be adjusted on a monthly basis in order to reflect the fluctuations in fuel prices and changes in the production mix.

All monthly fuel clause proposals issued by RAC in 2025 were approved by the Council of Ministers. Furthermore, the evaluation over the fuel clause of 2023 was prepared and is expected to be consulted with Aqualectra within the first quarter of 2026.

The developments in the electricity and water tariffs for the year 2025 are presented below.



In 2025, the average electricity tariff was Cg 0.58 per kWh, reflecting a decrease of 11% compared to 2024.



In 2025, the average water tariff was Cg 11.05 per m<sup>3</sup>, reflecting a decrease of 3% compared to 2024.

**Feed-in tariffs**

The feed-in tariffs, which were evaluated within the last quarter of 2025, remain unchanged for the year 2026. The feed-in tariffs are the rates and compensation of solar installations that are connected Aqualectra’s electricity grid. The payback period continues to have a positive impact for PV users as it remains below international standards, despite the minor increase in the payback period over 2025.

The Council of Ministers adopted RAC’s advice to maintain the feed-in tariff at Cg 0.25 per kWh and the fixed stand-by fee at Cg 8, Cg 16 or Cg 24, depending on the applicable tariff group.

**Quality and efficiency regulation**

One of the quality standards typically monitored by regulators, is the non-revenue losses in the transport and distribution of electricity, referred to as Non-Revenue Electricity (NRE), and non-revenue losses in the transport, distribution and delivery of water, referred to as Non-Revenue Water (NRW).

The evaluation of the realized non-revenue figures for the year 2025 showed a decreasing trend; however, the decrease was not significant enough to result in lower NRE/NRW standards. The costs associated with non-adherence to these standards are not covered by end-user tariffs.

The annual evaluation on efficiency standards considers the consumption of fuel relative to the production of one kWh of electricity and one cubic meter of water and resulted in modified efficiency standards applied as of April 2025 and onwards.

**Administrative supervision**

In the energy sector, RAC also exercises administrative supervision. The administrative supervision primarily relates to the following aspects:

- evaluating the administrative aspects of concession applications for the production, distribution, and/or supply of electricity;
- assessing requests for the issuance of a Declaration of No Objection for the (PV) installations intended for non-commercial generation of sustainable electricity.

**Concessions**

No new concessions were granted in the energy sector in 2025.

**Declarations of No Objection (“Verklaringen van Geen Bezwaar”)**

In 2025, a total of 50 Declarations of No Objection (hereinafter: VvGB) were issued by the RAC for the construction of solar installations for non-commercial generation of sustainable electricity (PV installations):

APPLICATIONS PER TARIFF GROUP	PRIVATE	COMMERCIAL	TOTAL
NUMBER OF APPLICATIONS FOR A VVGB	30	27	57
ISSUED VvGBs	22	28	50
NUMBER OF WITHDRAWN APPLICATIONS	0	0	0
<b>TOTAL CAPACITY IN KWp</b>	93.455	2,230.065	<b>2,323.520</b>

The variance between the number of registered applications and the number of VvGBs issued is due to applications received in November and December being processed in the following year.

**Other activities**

The revised policy on small-scale renewable energy that addresses both the policy-related, technical and administrative aspects for the installation of solar systems was adopted on advice by RAC and is effective as of October 29, 2025. By the end of the year 2025 an informative session was held to inform all stakeholders on the amendments.

In August 2025 an island-wide interruption of the electricity system, also called a ‘black-out’, occurred. A black-out generally results in material social-economic consequences. Following this event RAC has been in close contact with Aqualectra regarding the cause as well as the measures required in order to minimize the risks of repetition. An independent investigation has been initiated by RAC in relation to the security of the electricity system. The investigation has been finalized in January 2026 and has been presented to Aqualectra for comments in order to finalize the report.

During 2025 RAC provided assistance to the Bureau Telecommunication and Post Sint Maarten with regard to the utility tariffs on Sint Maarten. This resulted in an advice and next steps regarding the regulation of these tariffs. Furthermore, RAC entered into a formal collaboration with the Aruba Fair Trade Authority (AFTA), since AFTA has been assigned the task of regulating the utility sector on Aruba. RAC has provided insights to AFTA with regard to the regulatory structure applied on Curaçao.

### 3.5.2. Fuels

In the fuel distribution sector, RAC acts as an advisor to the Minister responsible for energy affairs, with a primary focus on tariff regulation. This includes transportation fuels, specifically Mogas 95 and Gasoil (U)LSD, as well as propane gas (LPG) for cooking and fuels utilized in electricity generation by Aqualectra.

Currently, there are no legal standards governing the monitoring of fuel quality; however, the composition of regulated fuels is determined by a policy developed by RAC. In this context, RAC also fulfills an important advisory function.

#### Tariff regulation

The established guidelines detail the principles and procedures for determining regulated fuel tariffs and their components. Tariffs are adjusted monthly based on fluctuations in purchase prices and the correction factor. In 2025, RAC successfully executed 12 timely tariff adjustments.

Typically, tariff components like wholesale and retail margins undergo review every three years. In 2025, no such adjustments were implemented on the wholesale and retail margins. Nevertheless, various steps were taken in 2025 in order to come to a revised regulatory model for both the wholesale margins as well as the retail margin for gas stations. This process will continue in 2026.

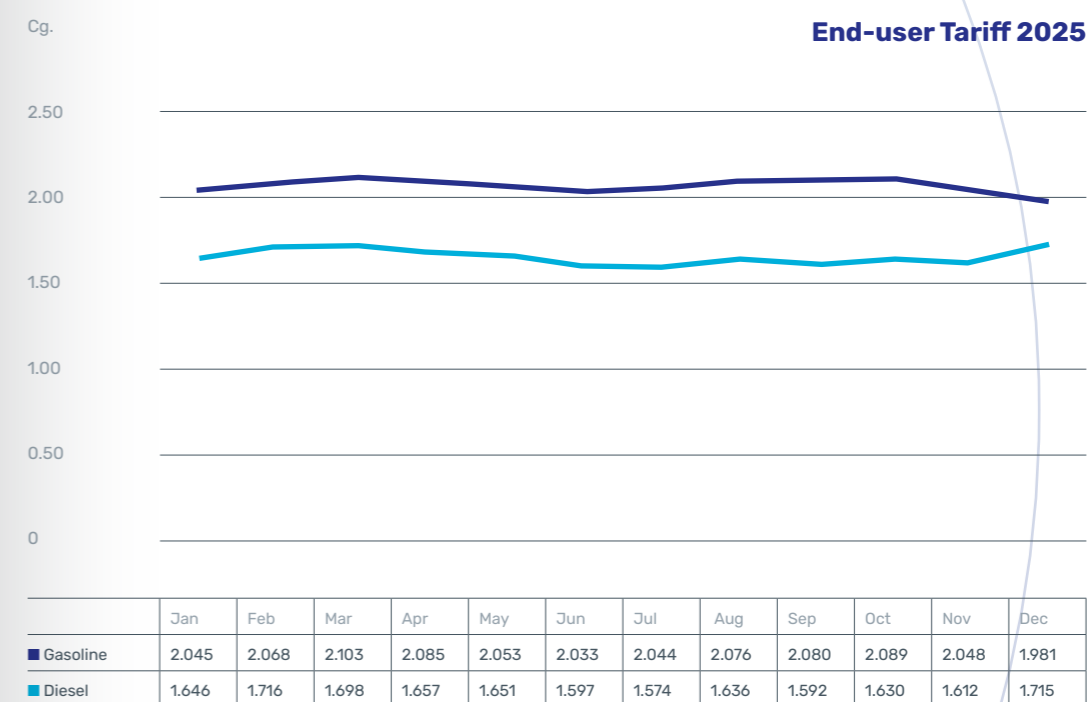
The regulatory tariff system also includes ex post calculations based on annual accounts certified by an independent accountant. During 2025 various ex post calculations of the fuel purchases for the years 2021, 2022 and 2023 were initiated and/or consulted.

#### Monthly price developments

In 2025, global oil markets experienced significant turbulence. Increased trade tensions and prevailing uncertainties negatively impacted the world economy, leading to slower growth in oil demand. Coupled with the decision by OPEC+ to expedite the easing of long-standing oil production restrictions drove international

oil prices to their lowest levels in four years during April and early May 2025. Furthermore, evolving energy policies and environmental regulations are influencing both oil producers and consumers in notable ways according to the International Energy Agency (IEA)<sup>1</sup>.

Despite the volatile international markets for oil and refined fuels, the end user tariffs on Curaçao remained predominantly stable throughout 2025. All of this has resulted in the following end user tariff developments for the fuels Mogas and (U)LSD in 2025:



1. International Energy Agency, Oil 2025: Analysis and forecast to 2030 (Paris: IEA, June 2025). Available at: <https://iea.blob.core.windows.net/assets/c0087308-f434-4284-b5bb-bfaf745c81c3/Oil2025.pdf> (accessed January 14, 2026).

In 2025, the average gasoline tariff was Cg 2.06 per liter, and the average diesel price was Cg 1.64 per liter, reflecting decreases of 3.8% and 8.2%, respectively, compared to 2024.

#### Use of refinery facilities for fuel supply

The ongoing cessation of refinery operations under PdVSA has continued to affect fuel supply, distribution, and regulated tariffs throughout 2025.

Since January 2020, when PdVSA refinery operations ceased, RdK/CRU has utilized parts of the refinery's infrastructure for fuel storage and distribution in Curaçao, incurring costs not covered by PdVSA. To address this, "fuel supply assurance (1a)" was introduced in the first half of 2020 to spread initial costs over four years, extending into 2024. As restart efforts failed, "fuel supply assurance (1b)" was implemented in August 2020 to directly incorporate ongoing expenses into monthly fuel tariffs. Due to surging fuel prices in 2022, the Council of Ministers, with Curoil and RdK/CRU financing, temporarily removed the (1b) component from September 2022 to June 2023. By July 2023, the (1b) component began a three-month reintroduction, and by October 2023, the recalculated (1a) (covering remaining 2020 costs and the financed (1b) portion) was also adjusted into tariffs. Both components were unchanged in 2025.

### 3.6. AVIATION

Since 2011, BTP (now RAC) has exercised supervisory oversight over the establishment of three aviation tariffs, namely passenger facility fees, landing fees, and parking fees, which are imposed by the airport on passengers and airlines, respectively.

In principle the regulatory tariff setting procedure for the passenger facility charges and the landing and parking fees consists of a 3-year period, it also includes an annual mid-term evaluation in accordance with article 7, paragraph 2 of the National decree methodology determining passenger facility charges and landing and parking fees (the National Decree). For this annual mid-term evaluation the airport operator, CAP (in consultation with DC-ANSP), files a report regarding both the forecasted and actual traffic and transport figures as well as the subsequent forecasted and actual revenues of the last year of the prior tariff cycle 2022-2024 (being in this case 2024). In the event the difference between the forecasted and actual revenues exceeds a certain bandwidth of 10% as predetermined by RAC<sup>3</sup> and conform article 7, paragraph 1, of the National Decree, CAP may propose a tariff change as per January 1, 2026. For the mid-term evaluation for 2024, the difference between the forecasted and actual aeronautical revenues notably exceeded the bandwidth resulting from faster than anticipated recovery in passenger traffic, mainly driven by increased international traffic. Based on the advice of RAC, the Minister of Traffic, Transportation, and Urban Planning, with the consent of the Council of Ministers, took the decision to reduce the international passenger facility charge as well as the landing fee by US\$ 3 per passenger and US\$ 0.27 per ton maximum takeoff weight respectively as of January 1, 2026.

2. P.B. 2018, no. 1.

3. 'Evaluation report regarding proposals aeronautical tariffs 2022-2024 Curaçao' of the Bureau dated September 3, 2021, par. 4.7.4 / p. 39.

### 3.7. HEALTHCARE

RAC's role in the healthcare sector continues to evolve from advisory support toward structured regulatory oversight. In 2017, the scope of responsibilities of BTP (now RAC) was expanded to include advisory services on performance descriptions and tariffs in the healthcare sector. Furthermore, following a decision by the Council of Ministers in 2019, preparations commenced for the establishment of the Curaçao healthcare authority ("Cha", also referred to as the Curaçaose Zorgautoriteit or "Cza"), which will operate as an integral part of RAC. The formalization of the health authority as a supervisory body overseeing the efficiency of the healthcare sector is expected to be realized in 2026.

In preparation for this responsibility, and in addition to cost price investigations conducted in the mental health sector (Dr. D. Caprileskliniek) in 2019 and in Curaçao's main hospitals (Curaçao Medical Center (CMC) and Antillean Adventist Hospital (AAH)) in 2023/2024, an investigation in the hospice care sector was conducted in 2025. During 2025, an investigation covering the nursing home care sector, care for persons with disabilities, and home care was prepared and tendered. In light of the large number of care providers in this sector and the expected differences in administrative maturity, the execution of this investigation commenced in January 2026 and is expected to continue throughout a significant part of that year.

Cost price investigations primarily consist of the development of updated performance descriptions, the development of a cost price model, analyses of financial and operational efficiency (both within individual healthcare providers and at the sector level, including comparisons with countries comparable to Curaçao), and ultimately the development of a multi-year tariff model. To promote the sustainable development of the healthcare sector, these investigations will be repeated at regular intervals.

In accordance with current legislation, the results of the above-mentioned investigations are submitted to the Minister of Health, Environment and Nature (GMN) for follow-up and (legal) implementation. At the request of the Minister of GMN, RAC supported the preparation of the legal instruments required to introduce new tariffs for the Antillean Adventist Hospital. Following an assessment of the current AAH performance descriptions in relation to the legal basis for coverage under the National Ordinance on Basic Health Insurance (BVZ), it was determined that further synchronization was required. This process commenced in December 2025 and is expected to last approximately three months.

As RAC's activities in the healthcare sector continue to expand, a vacancy for an in-house Healthcare Tariffs and Policy Analyst was identified and published in the first quarter of 2025. The new staff member joined RAC on October 15, 2025. Furthermore, RAC drafted its first multi-year Strategic Agenda for healthcare regulation covering the period 2026–2028, entitled "Konstruyendo kuido di mayan".

### **Draft National Ordinance on Market Regulation in Healthcare**

In preparation for the establishment of the Curaçao Healthcare Authority, priority continued to be given in 2025 to finalizing the draft National Ordinance on Market Regulation in Healthcare (draft Lmg). This included RAC's processing, in close collaboration with the Government's Legal Department (Directie Wetgeving en Juridische Zaken - DWJZ), of the advice issued by the Social and Economic Council (SER) in September 2024. This phase was followed by the preparation of the draft legislation for submission to the Council of Advice (Raad van Advies) and included an oral presentation by RAC at the request of the Council. In late November 2025, the Council of Advice issued its formal advice on the draft Lmg, after which RAC, in close cooperation with DWJZ, initiated the processing of this advice.

The Draft National Ordinance on Market Regulation in Healthcare regulates:

- the authorities and instruments of the supervisory authority RAC;
- the relationship between RAC and the Minister, as well as other supervisory authorities and relevant stakeholders;
- supervision of healthcare services, health insurance, and healthcare procurement markets, including market creation, monitoring, and regulation, as well as the regulation of tariffs and performance standards. It also aims to enhance market transparency and improve consumer decision-making information;
- supervision of the legal and efficient implementation of the National Ordinance on Basic Health Insurance;
- supervision of the legal and efficient implementation of the National Ordinance on General Insurance for Special Medical Expenses;
- supervision of the legal and efficient implementation of the draft LMG;
- monitoring of the administrative costs of the implementing organization.

### **3.8. INNOVATION BOX**

Under the Organisation for Economic Co-operation and Development (OECD) nexus approach, Curaçao provides for the application of a reduced corporate income tax rate to income derived from qualifying intellectual property (IP), subject to

the prescribed conditions. These conditions require that the income be generated from qualifying intangible assets for which actual research and development (R&D) activities have been carried out in Curaçao, or for which a Curaçao taxpayer has commissioned development to a foreign company within the same tax entity, in accordance with the nexus requirements. The specific rules governing eligibility and application are laid down in Articles 8A to 8D of the National Ordinance on Profit Tax 1940.

To qualify as an intangible asset under the Innovation Box regime, a statement must be issued by an entity independent of the Tax Administration, confirming that the required R&D activities have been performed. The responsibility for issuing this statement has been assigned to the Director of BTP (now RAC), in accordance with the requirement that it must not originate from the Tax Administration itself.

RAC maintains a cooperation agreement with the Rijksdienst voor Ondernemend Nederland (RVO), which provides expertise in the field of R&D assessment. With RVO's support, the feasibility and implementation framework of the Innovation Box were further developed and implemented in 2024. During the reporting year, RAC continued to execute its role within this framework.

In total, RAC received seven applications. As of the sign-off date of this Annual Report, two applications have been approved. Two applications remain pending, one under review and one awaiting additional information from the applicant. Of the remaining three applications, one has not been further pursued, one was withdrawn by the applicant, and one was rejected by RAC.

### **3.9. WHAT ELSE DID WE DO IN 2025?**

#### **3.9.1. Caricert**

The Caribbean Cyber Emergency Response Team (CARICERT) aims to strengthen national cybersecurity resilience by raising awareness and sharing knowledge on the prevention of cyberattacks among computer and internet users.

CARICERT collaborates with key sectors, including banks, telecommunications providers, utilities, and government agencies, representing a significant portion of Curaçao's critical infrastructure. It provides a platform for its partner network to exchange information, advisories, factsheets, and best practices, and to coordinate incident response efforts.

CARICERT also works closely with law enforcement authorities, the Public Prosecutor's Office, internet service providers, universities, and other stakeholders. Given the cross-border nature of cybercrime, CARICERT maintains close engagement with international partners, particularly within the CERT community.

In 2025, CARICERT continued to prioritize awareness and prevention. Numerous advisories and factsheets were published on various cybersecurity topics. A key publication was the Advisory on Ransomware Preparedness, issued in July 2025, which received significant attention in Curaçao and in the wider (Dutch) Caribbean region.

During the reporting year, CARICERT also provided assistance in response to several cybersecurity incidents, primarily involving ransomware attacks on local companies. CARICERT offered advisory support throughout the response processes, and the affected organizations expressed satisfaction with the assistance provided.

CARICERT continued to invest in professional development by participating in regional and international cybersecurity events. Engagement with partners, including NCSC-NL and the Ministry of the Interior and Kingdom Relations (MinBZK), further strengthened cooperation and knowledge exchange during the reporting year.

Furthermore, the office IT network and the CARICERT Cyberlab were upgraded. Investments in new equipment were made to address increasing technological demands and to ensure that CARICERT remains well-equipped and prepared for future developments.

### **3.9.2. Early Warning Systems – Strengthening national resilience**

RAC continues to serve as coordinator of Emergency Support Function 2 (ESF-2), ensuring the continuity of telecommunications services during crisis and disaster situations. In 2025, RAC strengthened Curaçao's early warning framework through the implementation of the national Cell Broadcast public warning system, officially named "ALERTA," and through the development of complementary alert mechanisms.

- **Emergency Support Function 2: ALERTA Public Warning System**

In 2025, the national Cell Broadcast public warning system transitioned from pilot phase to implementation and was officially named "ALERTA." Comprehensive system testing was conducted in collaboration with the Directorate of National Disaster Management, Digicel, and Everbridge One2Many.

The results confirmed that the system meets the required standards for functionality, reliability, and effective message delivery.

Stakeholder consultations and a dedicated task force session were organized to align operational processes, technical integration, and institutional responsibilities. These engagements strengthened coordination across emergency response partners and supported a structured rollout of the system.

Following successful testing, RAC advanced the formal implementation phase, including preparation of procurement procedures and contractual arrangements with the selected platform provider and mobile network operators.

With ALERTA, Curaçao strengthens its national crisis response capability by enabling rapid, area-specific alerts to be transmitted to mobile phones across the island. This initiative enhances public safety, improves emergency preparedness, and reinforces national resilience.

- **Weather Alert Broadcast System**

In addition to ALERTA, RAC supported the establishment of a multi-channel Weather Alert Broadcast System in collaboration with Meteo and the University of Curaçao. This system complements the Cell Broadcast infrastructure by enabling the dissemination of alerts through additional communication channels, enhancing the ability to reach citizens even when internet connectivity is limited.

### **3.9.3. Smart Nation Platform Curaçao: Framework for National AI Strategy**

The Smart Nation Platform, established in 2017 at the initiative of BTP (now RAC), continues to serve as a catalyst for Curaçao's digital transformation and innovation agenda.

In 2025, the primary focus was the further development and governance of Curaçao's National Artificial Intelligence (AI) Strategy. A significant milestone was the establishment of the National Decree "Coordination National AI Strategy" (No. 2025/022113), formally appointing RAC as the responsible organization for drafting and coordinating the National AI Strategy and defining the governance structure and stakeholder involvement.

During the first quarter of 2025, RAC concluded its contributions to UNESCO's Readiness Assessment Methodology (RAM) project.

This baseline assessment maps Curaçao's current AI readiness across key sectors and provides the foundation for a targeted national action plan. The RAM positions Curaçao among the first countries in the Caribbean to undertake such a structured AI readiness evaluation.

On behalf of the Government of Curaçao, RAC also engaged in several regional and international AI governance platforms, including UNESCO, Banco de Desarrollo de America Latina y el Caribe (CAF), the International Telecommunication Union (ITU), and other specialized forums. These engagements strengthen Curaçao's alignment with international best practices in ethical, responsible, and innovation-driven AI development.

Through its coordination role and strategic engagement, RAC contributes to strengthening institutional readiness, promoting responsible AI governance, and positioning Curaçao for sustainable and inclusive digital advancement.

#### **3.9.4. Digital Hub Americas (DHA)**

Digital Hub Americas (DHA) is an initiative of RAC and Blue NAP Americas, supported by its co-founders, including CINEX, CIFC, IPE, SIMIA, CFA, and the Chamber of Commerce.

As a collaborative platform, DHA facilitates interaction among companies active in the digital economy ecosystem, promoting the provision of commercial and professional services to governments and the private sector throughout the Americas, including the Caribbean region and beyond.

Through this cooperation, DHA aims to:

- stimulate the development of innovative products and services that better serve citizens and customers; and
- create opportunities for its members to expand their services into international markets.

By strengthening collaboration and fostering innovation within the digital sector, DHA supports Curaçao's ambition to further develop the digital economy as the fourth economic pillar, contributing to sustainable economic growth and new employment opportunities.

#### **3.9.5. Project "Internet Access for All"**

Affordable internet access is increasingly recognized as a prerequisite for full participation in modern society and aligns with UNESCO principles on digital inclusion. In 2025, RAC, in cooperation with the Government, continued advancing the development of a social internet package aimed at reducing digital exclusion and strengthening equitable access to connectivity.

Despite significant growth in internet penetration in recent years, approximately 9% of the population remains unable to afford or effectively use internet services. Addressing this gap is essential to ensuring that digital transformation benefits all members of society and does not exacerbate socio-economic disparities.

#### **ICT-Skills Program**

A central component of the initiative is the provision of basic ICT and digital skills training through a dedicated platform. The program is designed not only to facilitate access, but also to build digital capability – enabling participants to confidently use online services for education, communication, and access to essential services. The training incorporates a cybersecurity component, promoting safe and responsible internet use, including privacy awareness. By combining connectivity with digital literacy, the initiative aims to foster sustainable participation in the digital environment.

#### **Target group and implementation**

During 2025, further discussions were held with relevant stakeholders to refine the target group and implementation framework. The initiative focuses on households with school-going children who are unable to afford internet connectivity. The project encompasses subsidized internet access, provision of essential devices, and digital skills training to ensure that participating households can perform essential online activities. Preparatory steps were taken in 2025 to support the structured rollout of the initiative.

Through this integrated approach, RAC contributes to sustainable digital inclusion, supports equal educational opportunities, and promotes broader social and economic participation in Curaçao's digital economy.

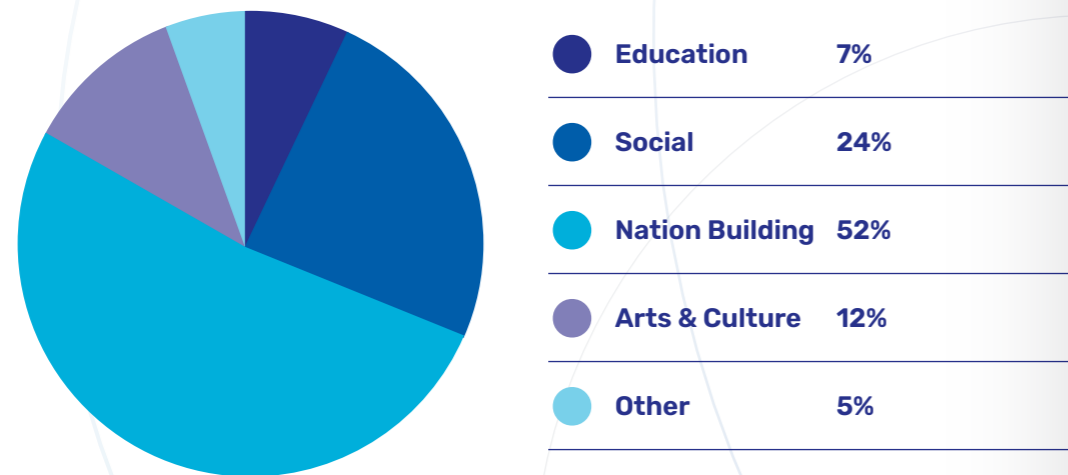
### 3.9.6. Csr

RAC is a local regulatory authority committed to serving the public interest. As one of the primary bodies under the Ministry of VVRP, RAC recognizes its responsibility to undertake initiatives that contribute to a sustainable future in which environmental, social, and economic interests are mutually reinforcing.

RAC places strong emphasis on Corporate Social Responsibility (CSR). In this context, RAC has, over the years, supported various social and philanthropic initiatives.

In 2025, in addition to sponsorship activities, RAC contributed to a range of initiatives in the areas of social development, arts and culture, and education. These efforts reflect RAC's commitment to long-term development and the social well-being of the community. The pie chart below illustrates the distribution of contributions by category.

#### CSR Contribution 2025



### 3.9.7. Digital wellbeing and youth awareness

In 2025, RAC contributed to public dialogue on the societal impact of digital connectivity, particularly in relation to children and adolescents. In collaboration with the sector Familie en Jeugd of the Ministry of Social Development, Labor and Welfare (SOAW), RAC shared technical expertise on the influence of social media and digital platforms on young people.

Through this engagement, RAC reinforced its role not only as a telecommunications regulator, but also as a partner in addressing emerging digital wellbeing challenges within the community.

### 3.10. POLICY IMPLEMENTATION AND OTHER LEGAL OBLIGATIONS

#### Internal policies

A comprehensive review was conducted on the implementation of key internal policies related to RAC's administrative organization. The review examined the extent to which key policy aspects were implemented and whether any matters warranted specific reporting in the following areas:

- Governance and supervision;
- Management and control;
- Planning;
- Human resources policy;
- Finance and internal control;
- Operations and automation;
- Technology, malfunctions, and crisis management;
- External communication;
- Compliance;
- Conflict of interest;
- Audits and other investigations;
- Reporting.

#### National Ordinance on Top Income Regulation Curaçao

The National Ordinance on Top Income Regulation Curaçao (P.B. 2022, no. 133), hereinafter referred to as LNT, entered into force on December 21, 2022. The effects hereof have been implemented by RAC. The LNT also introduces a public reporting obligation, the details of which are to be further specified by ministerial regulations.

As these implementing regulations have not yet been established or published, RAC is currently unable to provide the detailed reporting required under the LNT. RAC will comply with the prescribed reporting requirements once the applicable ministerial regulations are finalized and come into force.

#### Corporate Governance Code (Code)

Following the entry into force of the LNT on December 21, 2022, the National Ordinance on Corporate Governance (P.B. 2014, no. 3 (G.T.)) and the amendment to the National Decree on the Corporate Governance Code Curaçao (P.B. 2020, no. 50) became partially applicable to RAC.

In light of this development, an internal assessment was conducted to determine the implications for RAC and its governing bodies and to implement any necessary adjustments. The assessment confirmed that RAC already adhered to several key principles of the Corporate Governance Code prior to its formal applicability.

In line with these governance requirements, RAC took further steps to strengthen its institutional framework, including the signing of a new Collective Labor Agreement for a three-year period, effective January 1, 2024; the development and implementation of the Strategic Plan 2025–2027; the establishment and integration of a structured risk management framework; the advancement of the ISO 9001 quality management roadmap; the modernization of internal processes through digitalization and automation initiatives; and the reinforcement of ICT governance, business continuity, and compliance mechanisms. In addition, RAC developed a draft internal AI Policy to ensure structured, ethical, and accountable adoption of emerging technologies. These measures collectively enhance accountability, transparency, operational resilience, and institutional maturity.

RAC operates on the principle that the Institutional Ordinance and the Corporate Governance Code are complementary and together reinforce sound governance, accountability, and transparency.



Impact begins with a  
single step, then builds  
momentum across  
everything that follows.



# 04.

## Financial Statements 2025

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## BALANCE SHEET AS AT DECEMBER 31, 2025

Assets (after appropriation of results)

	Notes	2025	2024
		Cg.	Cg.
<b>Non-current assets</b>		<b>10.095.975</b>	<b>10.191.767</b>
<b>Total current assets</b>		<b>53.783.086</b>	<b>46.098.636</b>
<b>Total assets</b>		<b>63.879.061</b>	<b>56.290.403</b>

## EQUITY AND LIABILITIES

	Notes	2025	2024
		Cg.	Cg.
<b>Total equity</b>		<b>53.854.049</b>	<b>46.927.049</b>
<b>Provisions</b>		<b>6.711.218</b>	<b>6.620.960</b>
<b>Current liabilities</b>		<b>3.313.794</b>	<b>2.742.394</b>
<b>Total equity and liabilities</b>		<b>63.879.061</b>	<b>56.290.403</b>

## STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	2025	Budget 2025	2024
		Cg.	Cg.	Cg.
<b>Revenue</b>		<b>28.568.233</b>	<b>25.660.000</b>	<b>26.916.905</b>
<b>Total expenses</b>		<b>19.215.779</b>	<b>23.103.000</b>	<b>19.023.663</b>
<b>Operating result before changes in provisions</b>		<b>9.352.454</b>	<b>2.557.000</b>	<b>7.893.242</b>
(Addition to)/ release of provisions		(369.353)	(111.000)	(339.873)
<b>Result before financial- and extraordinary income and expenses</b>		<b>8.983.101</b>	<b>2.446.000</b>	<b>7.553.369</b>
Financial income and expenses		96.180	47.000	19.512
Extraordinary income and expenses		55	-	485
<b>Net result</b>		<b>9.079.336</b>	<b>2.493.000</b>	<b>7.573.366</b>

## 4.2 GENERAL NOTES TO THE FINANCIAL STATEMENTS

### 4.2.1 GENERAL NOTES TO THE FINANCIAL STATEMENTS

#### General

These financial statements have been prepared based on the principles described in these financial statements, following as much as possible the generally accepted accounting principles in the Netherlands for the valuation of assets and liabilities and the determination of results. The provisions included in the National Ordinance Bureau Telecommunications and Post (P.B. 2023, no. 50 (GT)) (hereinafter: national ordinance) have also been taken into account.

The Regulatory Authority of Curacao (RAC), formerly Bureau Telecommunicatie en Post (BTP), is a public legal entity of the Country of Curaçao, established by national ordinance with the task of supervising and developing policy frameworks for the telecommunications and postal services. Additionally, RAC is mandated by the government to supervise the electricity supply, drinking water supply, fuel supply, healthcare, and developments in aviation tariffs.

#### Budget

In accordance with the national ordinance, management is responsible and accountable for the administration of RAC's funds to the Minister of Traffic, Transport, and Urban Planning. Consequently, the RAC's annual budget must be submitted to the aforementioned minister for approval. While there are differences between actual figures and the budget in some items, the operating expenses remained within the approved budget for the reporting year.

For the year 2025, an amount of Cg 208.000 was estimated for provisions for employee benefits (budgeted under other operating expenses).

#### Estimates

When applying the principles and rules for preparing the financial statements, RAC makes various judgments and estimates that may be essential for the amounts included in the financial statements. If necessary for a proper understanding, the nature of these judgments and estimates, including the related assumptions, are disclosed in the notes to the relevant financial statement items.

#### Foreign currency translation principles

Monetary balance sheet items denominated in foreign currencies are translated at the exchange rate prevailing at the balance sheet date.

Exchange differences are recognized in the statement of profit or loss. Revenue, costs, and results in the statement of profit or loss are translated into Caribbean guilders at the exchange rate applicable on the transaction date. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling at the date of valuation.

### VALUATION PRINCIPLES

#### Comparison with previous year

The applied valuation and result determination principles remained unchanged compared to the previous year.

#### Impairment of non-current assets

At each balance sheet date, RAC assesses whether there are indications that a non-current asset may be subject to impairment. If such indications exist, the recoverable amount of the asset is determined. As of the balance sheet date, there were no indications of impairment of non-current assets.

### PRINCIPLES OF DETERMINATION OF RESULT

#### Revenue Recognition

Revenue is recognized to the extent they relate to the reporting year. Inspections of reported telecom connections may occur after the balance sheet date, which can lead to revenue being recognized in the subsequent year.

Revenue includes fees related to the granting of concessions and licenses for the telecommunications and postal sectors, as well as compensation related to the supervision of the telecommunications and postal sectors, regulatory fees from RAC's oversight of the energy sector (electricity, drinking water, and fuel) and aviation tariffs.

#### Expenses

Expenses are valued at nominal value and allocated to the reporting year to which they relate. Income is recognized when services are performed, while losses are accounted for in the year they become foreseeable.

#### Taxes

RAC is exempted from profit tax in Curaçao.





Regulatory  
Authority  
of Curaçao

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