

Regulation by the State Secretary for Social Affairs and Employment of , 2020-0000031778, establishing a temporary subsidy scheme for the financing of childcare in the Caribbean Netherlands (Temporary Childcare Financing Subsidy Scheme Caribbean Netherlands; in Dutch: Tijdelijke subsidieregeling financiering kinderopvang Caribisch Nederland)

The State Secretary for Social Affairs and Employment,

Having regard to Article 3, first paragraph, and Article 5 of the *Kaderwet SZW-subsidies* (SZW Subsidies Framework Act);

Decision:

Chapter 1. General provisions

Article 1. Definitions

The following definitions of terms will apply for the purposes of this Regulation:

out-of-school care: childcare services provided by a childcare organisation for primary school-aged children, where care is offered before or after daily school hours and during free days and afternoons or during school holidays;

Caribbean Netherlands: islands of Bonaire, St. Eustatius and Saba;

half-day session: a block of at least four consecutive hours of childcare;

day care: childcare provided by a childcare organisation for children aged between 0 and 4 years, the moment when the children start attending primary school;

operator: a natural person aged 18 or older or a legal entity who/which operates a childcare organisation;

operating licence: the licence issued by the public entity for the operation of childcare services;

host parent: a person aged 18 or older offering host parent care, with the exception of anyone:

- a. who has one or more children who have been placed under (temporary) supervision as referred to in Article 254 of Book 1 of the BES Civil Code, whose parental authority over one or more of

- their children has been divested, as referred to in Article 266 of Book 1 of the BES Civil Code, or who has been deprived of parental authority over one or more of their children, as referred to in Article 269 of Book 1 of the BES Civil Code,
- b. who is registered in the population register at the same home address as the parent or the partner of the parent of the child to whom childcare is offered, or
 - c. who for the purpose of childcare employs staff in any form;

host parent care: childcare offered in a family environment regarding the simultaneous care for no more than six children, including those related by blood or affinity in the descending line of the host parent or of their partner, where the care takes place:

- a. at the home address of the host parent, or
- b. at the home address of one of the parents of the children whom the host parent cares for;

childcare: the professional or otherwise than for no consideration caring for, rearing of or contributing to the development of children up to the first day of the month in which those children start attending secondary school;

childcare organisation: a facility where childcare takes place;

supplementary childcare subsidy: a supplementary subsidy per child determined by the public entity paid to a childcare organisation for a parent who meets the criteria set by the public entity;

cost-price reducing subsidy: a subsidy for all childcare organisations with an operating licence or which are awaiting a decision on the operating licence and can prove that they have cared for children in 2019, aimed at lowering the amount which parents pay for childcare and for investments in the quality of childcare;

minister: Minister of Social Affairs and Employment;

public entity: public entity Bonaire, St. Eustatius or Saba;

parent: the relative by blood or affinity in the ascending line or the foster parent of a child to whom the childcare is offered;

parental contribution: the fee established by the public entity in coordination with the Central Government, which a parent pays monthly on the basis of full childcare and which the childcare organisation charges the parent after deduction of the supplementary childcare subsidy, if applicable;

BES(t) 4 kids programme: a programme launched by the public entities of the Caribbean Netherlands and the Central Government aimed at improving childcare in the Caribbean Netherlands and making it financially accessible to parents;

transition plan: a plan drawn up by a childcare organisation approved by the public entity, in which the childcare organisation records which part of the subsidy

will be used to lower the amount which parents must pay for childcare and which part will be used for investments in the quality of childcare.

Article 2. Purpose of subsidy

Temporary financial means will be made available in the years 2020 and 2021 to reduce the costs of childcare for parents of children in the Caribbean Netherlands in order to improve the financial accessibility of childcare and out-of-school care and to improve the quality of care at the same time.

Article 3. Application of *Kaderregeling subsidies OCW, SZW en VWS*

The *Kaderregeling subsidies OCW, SZW en VWS* (Framework Regulation on Subsidies of the Ministries of Education, Culture and Science, of Social Affairs and Employment and of Health, Welfare and Sport) applies to this Regulation, insofar as there are no derogations from the *Kaderregeling* in this Regulation.

Article 4. Application period

Subsidy applications must be submitted starting from the day following the date of publication of the *Staatscourant* (Government Gazette) in which they are placed, 09:00 hours to October 31st, 2021, 17:00 hours local time.

Chapter 2. Granting of subsidy

Article 5. Subsidy limit in St. Eustatius for cost-price reducing subsidy

An amount of \$1,058,400.00 is available for childcare in St. Eustatius in the period from July 1st, 2020 to December 31st, 2021 for the granting of a cost-price reducing subsidy pursuant to this Regulation.

Article 6. Subsidy limit in Bonaire for cost-price reducing subsidy

An amount of \$5,760,000.00 is available for childcare in Bonaire in the period from July 1st, 2020 to December 31st, 2021 for the granting of a cost-price reducing subsidy pursuant to this Regulation.

Article 7. Subsidy limit in Saba for cost-price reducing subsidy

1. An amount of \$0 is available for childcare in Saba in the period from July 1st, 2020 to December 31st, 2020 for the granting of a cost-price reducing subsidy pursuant to this Regulation.
2. An amount of \$350,000.00 is available for childcare in Saba in the period from January 1st, 2021 to December 31st, 2021 for the granting of a cost-price reducing subsidy pursuant to this Regulation.

Article 8. Method of allocation of available resources for cost-price reducing subsidy

1. In order to determine when the subsidy limit is reached, the subsidy applications will be processed on a first-come-first-served basis, where only complete applications will be processed.
2. A subsidy application is considered complete when the application form has been completed in full, is signed by an authorised signatory of the childcare organisation and the requested documents have been attached.

3. The time of receipt as referred to in the first paragraph is the time when the full application has been received.

Article 9. Subsidy application for cost-price reducing subsidy

1. Applications for a cost-price reducing subsidy will be submitted to the Minister by means of an application form established by the Minister, which is available on www.mijnuitvoeringvanbeleidszw.nl.
2. Applications received outside the application period will not be processed.
3. The childcare organisation must at least include the following in the application:
 - a. the maximum number of children that the childcare organisation may care for in conformity with the operating licence or the maximum number of children stated in the application for an operating licence;
 - b. the number of half-day sessions per child, which the childcare organisation expects to offer in the coming quarter;
 - c. the type of care which the childcare organisation provides, broken down by day care and out-of-school care;
 - d. a prognosis of the budget for the coming quarter;
 - e. a copy of the operating licence or a copy of the application for an operating licence;
 - f. a copy of a recent bank statement of the childcare organisation;
 - g. a recent certified extract from the Trade Register, including a mandate in case of shared authority to sign, if applicable.
4. By submitting an application, the childcare organisation agrees that the subsidy dossier, with the exception of personal details, will be made public.
5. If a childcare organisation wishes to expand the number of childcare places, they can submit a revised application for that expansion.
6. In the revised application, the childcare organisation must state the maximum number of children that it is allowed to care for in conformity with the most recent operating licence and it provides the most recent operating licence for this purpose.
7. If a childcare organisation is awaiting a decision on the operating licence and it wants to submit a revised application to expand the number of children, the Minister will call on the public entity where the childcare takes place for advice on the maximum number of children which the childcare organisation is allowed to care for.
8. The childcare organisation will not receive any subsidy for the care of children of host parents.
9. The childcare organisation must have submitted an application on the last day of the first month of a certain quarter at the latest in order to qualify for subsidy payment for the relevant quarter.

Article 10. Cost-price reducing subsidy requirements

1. Only childcare organisations holding an operating licence or which are awaiting a decision regarding the application for an operating licence and can prove that they have cared for children in 2019 will qualify for a cost-price reducing subsidy.
2. If the operating licence has not been granted by February 1st, 2021, the subsidy payments will then stop or earlier if the public entity provided a negative advice on the decision.
3. The childcare organisation only qualifies for a cost-price reducing subsidy for children who are registered as residents with the public entity where the childcare takes place.
4. The childcare organisation only qualifies for a cost-price reducing subsidy if there is a written childcare agreement between the childcare organisation and the parent.
5. The childcare organisation only qualifies for a cost-price reducing subsidy if there is a transition plan which has been approved by the public entity or if the transition plan is approved by the public entity no later than May 1, 2021.
6. The childcare organization only qualifies for a cost-reducing subsidy if it concerns childcare.
7. If the requirement as referred to in the third paragraph is not met, the Minister can make an exception in the interest of the child upon advice of the public entity.

Article 11. Cost-price reducing subsidy obligations

1. If there is no supplementary childcare subsidy which fully compensates the parental contribution, the childcare organisation is obligated to charge the parent for a parental contribution.
2. The childcare organisation is obligated to honour the agreements specified in the transition plan.
3. The childcare organisation will participate in the BES(t)4 kids programme and cost-price studies conducted in the context of the programme.

Article 12. Amount of cost-price reducing subsidy

1. The amount of the cost-price reducing subsidy per half-day session per child for day care is \$5.00 in Bonaire, \$2.00 in St. Eustatius and \$3.90 in Saba.
2. The amount of the cost-price reducing subsidy per half-day session per child for out-of-school care is \$7.50 in Bonaire, \$10.00 in St. Eustatius and \$11.25 in Saba.
3. The amount of the cost-price reducing subsidy for host parent care per half-day session per child for day care is \$2.50 in Bonaire.
4. The amount of the cost-price reducing subsidy for host parent care per half-day session per child for out-of-school care is \$5.00 in Bonaire.
5. The amount of subsidy for a childcare organisation per location per quarter will not exceed the amount of the costs-price reducing subsidy times the maximum number of children that are cared for in accordance with the

operating licence. The maximum number of half-day sessions per child is two per day and 40 per month for day care and a maximum of one per day and 20 per month for out-of-school care, with the exception of school holidays where out-of-school care has a maximum of two half-day sessions per day.

Article 13. Amount of parental contribution

1. The amount of the minimum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$150.00 and the maximum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$200.00 for day care in Bonaire.
2. The amount of the minimum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$100.00 and the maximum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$200.00 for out-of-school care in Bonaire.
3. The amount of the minimum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$150.00 and the maximum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$175.00 for day care at host parent care facilities in Bonaire.
4. The amount of the minimum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$100.00 and the maximum parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$200.00 for out-of-school care at host parent care facilities in Bonaire.
5. The amount of the parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$150.00 for day care in St. Eustatius.
6. The amount of the parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$75.00 for out-of-school care in St. Eustatius.
7. The amount of the parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$100.00 for day care in Saba.
8. The amount of the parental contribution for the maximum number of half-day sessions per month, as referred to in Article 12, fifth paragraph, is \$50.00 for out-of-school care in Saba.
9. If the parental contribution which the childcare organisation has charged the parent before July 1st, 2020 is lower than the parental contribution as stipulated in the first eight paragraphs of this Article, the Minister may deviate from the amounts mentioned in these paragraphs upon advice of the public entity.
10. If the childcare organisation chooses to charge the parent a higher parental contribution than the maximum amounts mentioned in this Article, the subsidy will be reduced by the amount in excess of the maximum parental contribution.

Article 14. Supplementary childcare subsidy

1. The childcare organisation may qualify for supplementary childcare subsidy, as a supplement to the cost-price reducing subsidy.
2. The Minister calls on the public entity where the childcare takes place for advice on the supplementary childcare subsidy.
3. The childcare organisation, which is in the possession of an advice issued by the public entity, will submit the application for childcare place subsidy to the Minister.
4. This advice comprises:
 - a. the granting of the supplementary childcare subsidy, where the income of the parent and other criteria established by the public entity are taken into account;
 - b. the amount of the supplementary childcare subsidy;
 - c. the amount of the parental contribution.

Article 15. Granting and payment of subsidy

1. The granting decision for the cost-price reducing subsidy and supplementary childcare subsidy includes the amount of the subsidy payment.
2. The subsidy amounts are granted, paid and set in dollars.
3. The public entity's advice is part of the motivation of the granting decision.
4. The Minister pays the cost-price reducing subsidies and the childcare place subsidies per quarter in the form of an advance payment.
5. After the end of each quarter, the next advance payment will be determined again on the basis of the information referred to in Article 16 and, if required, will be settled against the previous quarter.
6. The childcare organisation may apply to the Minister for a one-off advance payment with a maximum amount of 35% of the amount determined on the basis of the information referred to in Article 16, first paragraph. This advance is settled in the last quarter prior to the determination.
7. The duration of the subsidy will be determined by granting decision but in any case will end on December 31st, 2021.

Article 16. Information obligations

1. After the end of each quarter, the childcare organisation is obligated to report the number of half-day sessions per child purchased in that quarter via a form issued by the Minister and to submit this form to the Minister as well as an update of the data regarding the number of children that is expected to attend in the next quarter and the number of half-day sessions to be purchased.
2. The childcare organisation's records must be organised transparently and verifiably so that the data or information on the data, as referred to in the third paragraph, which may be important for the childcare organisation's entitlement to and the amount of the cost-price reducing subsidy and supplementary childcare subsidy, and the related advance payment can be provided immediately upon the Minister's request.

3. The childcare organisation's records must at least contain the following data:
 - a. a list of all registered children, stating per child: name, date of birth, address, postal code, place of residence and the name, address and telephone number of the parent,
 - b. copies of all written agreements reached with parents per child, stating per agreement: the type of childcare which the agreement relates to, the fee which the parent must pay per month, the number of agreed half-day sessions, the start and end date of the care and the duration of the agreement,
 - c. invoices and proof of payment documents showing the payments made by the parent to the childcare organisation, and
 - d. a quarterly statement comprising the number of half-day sessions per month purchased per child.
4. The childcare organisation will retain the records for a period of at least five years after determination of the subsidy.
5. If there are suspicions that the written agreements per child reached with parents are incorrect, the Minister may request the childcare organisation to bring them in touch with the parent.
6. If the records of the childcare organisation are not organised in such a way that they meet the requirements mentioned in this Article, the Minister will give the childcare organisation the opportunity to rectify this within a period to be determined by the Minister.
7. If the records have not been rectified within a period determined by the Minister, the decision to grant subsidy will be revoked.
8. The childcare organisation is obligated to immediately notify the Minister of changes in the following data:
 - a. the end date of the agreement;
 - b. the end of the provision of childcare;
 - c. the revocation of the operating licence;
 - d. failure to observe or revocation of the transition plan.

Article 17. Grounds for refusal

The subsidy will not be granted if:

- a. the subsidy application does not meet the requirements set pursuant to this Regulation;
- b. The subsidy limits as referred to in Articles five through seven have already been exhausted due to previously submitted applications.

Article 18. Revocation of subsidy

1. If the childcare organisation's operating licence is revoked, the subsidy payments will stop from the day on which the operating licence is revoked and the decision will be revoked.
2. Without limiting the provisions of Article 4:48 of the *Algemene wet bestuursrecht* (General Administrative Law Act), the decision to grant

subsidy can be revoked altogether, or changed at the expense of the childcare organisation, if the provision of childcare has not started within three months after the subsidy decision was issued.

3. If the requirements and obligations stipulated in this Regulation have not been met, the decision to grant subsidy can be revoked altogether, or changed to the detriment of the childcare organisation.
4. If the decision to grant subsidy is revoked, the subsidy amount paid until that moment can be recovered from the childcare organisation in full or in part.

Article 19. Justification and determination of subsidy

1. The recipient of a subsidy, proves in a fashion as referred to in the decision at the Minister's request that the activities for which the subsidy was granted, have been performed and that the obligations related to the granted subsidy have been met.
2. Within 22 weeks after the date on which the activities for which the subsidy is granted, have been performed, the Minister will reach an ex officio decision on the determination of the subsidy.
3. The subsidy is determined at an amount which does not exceed the amount mentioned in the granting decision.

Article 20. Entry into force and expiry date

1. This Regulation will enter into force as of July 1st, 2020.
2. This Regulation will expire on December 31st, 2022.

Article 21. Short title

This Regulation will be cited as: Temporary Childcare Financing Subsidy Scheme Caribbean Netherlands.

This Regulation and its explanatory notes will be published in the *Staatscourant*.

The Hague, May 8th, 2020

The State Secretary for Social Affairs and Employment,

T. van Ark

EXPLANATORY NOTES

General

Children in the Caribbean Netherlands are entitled to the same opportunities for optimum development as children in the European Netherlands. Additionally, parents must be able to use good-quality and financially accessible childcare just like in the European Netherlands. Against this background, the public entities of Bonaire, St. Eustatius and Saba together with the ministries of Social Affairs and Employment (in Dutch: Sociale Zaken en Werkgelegenheid, SZW), of Education, Culture and Science (in Dutch: Onderwijs, Cultuur en Wetenschap, OCW), of Health, Welfare and Sport (in Dutch: Volksgezondheid, Welzijn en Sport, VWS) and of the Interior and Kingdom Relations (in Dutch: Binnenlandse Zaken en Koninkrijksrelaties, BZK) expressed the ambition to establish a system for good-quality, safe and affordable childcare and out-of-school facilities¹ in the Caribbean Netherlands. The BES(t) 4 kids programme was created to realise this ambition.

The majority of the children in the Caribbean Netherlands live in conditions in which the risk of development and learning disadvantage is realistic. Therefore one of the guiding principles of the BES(t) 4 kids programme is that all children can use childcare and out-of-school care. Financial accessibility is an important requirement to ensure that all children can use childcare and out-of-school care.

Apart from improving the financial accessibility, improving the quality of the facilities, organising the monitoring of the facilities and increasing the average level of education of staff are important elements in the programme.

Since the constitutional transition of October 10th, 2010, childcare in the Caribbean Netherlands falls under the responsibility of the public entities. This is about to change. The Central Government and the public entities are working on a new system in which the responsibility for the financing of childcare will become a joint responsibility. The Central Government will be responsible for the legal framework and will take care of a major part of the financing of childcare in the Caribbean Netherlands. The public entities will have room within the legal framework to define the quality level in more detail. The public entity will establish an ordinance for this purpose. The targeted date for the entry into force of the legal frameworks for quality, monitoring and financing is January 1st, 2022.

The Cabinet announced on June 27th, 2019² that 9.8 billion euros will be made available for the BES(t) 4 kids programme on a regular basis. Each island will be allocated part of this budget to implement the BES(t) 4 kids programme and to commence the temporary provision of cost-price reducing subsidies and childcare place subsidies. The implementation of this Regulation will be performed by the Central Government on the basis of criteria established in consultation with the public entities and the amount of the subsidies to be granted. The criteria may change in 2021 if consultation between the Central Government and the public entities gives rise to this.

¹ Parliamentary documents II, 2018/2019, 31 322, no. 397.

² Parliamentary documents II, 2018/2019, 31 322, no. 397.

Purpose of the temporary subsidy scheme

The purpose of the temporary childcare financing scheme Caribbean Netherlands is to improve the financial accessibility of childcare and out-of-school care in the short term in the run-up to a structural financial scheme. The scheme also seeks to stimulate childcare organisations to implement measures aimed at improving quality and which increase costs.

By making the scheme available to all childcare and out-of-school care organisations which meet the requirements, the Cabinet starts with lowering the costs of childcare and out-of-school care for parents and children in the Caribbean Netherlands. This was announced within the framework of the benchmark for a Caribbean Netherlands guaranteed minimum income.³ The benchmark for the guaranteed minimum income includes an amount of 32.50 dollars for childcare for households with children. By accounting for the effect of (pursued) policy in the amounts in the benchmark for the guaranteed minimum income, the Cabinet has made a commitment to reducing childcare costs.

Two types of subsidy are possible under this temporary subsidy scheme:

- Cost-price reducing subsidies for all childcare organisations providing childcare.
- Childcare place subsidies for childcare organisations of which the public entities have established that certain children qualify for a supplementary subsidy because the parents cannot afford childcare.

A secondary objective of the temporary scheme is to prepare childcare and out-of-school care organisations, and parents for the process of execution for the structural scheme as of 2022 and to gather information for the composition of the structural scheme. The aim is to structurally embed the financing of childcare in legislation as of 2022. The aim is that all childcare organisations receive a fee per child which is realistic for them as of 2022. In order to realise this reasonable fee for the childcare organisations, it is necessary to gain more insight into the costs which are incurred for childcare. Research will be conducted into the cost structure of childcare organisations in 2020 and 2021 for this purpose. This requires the cooperation of childcare organisations. The subsidy scheme therefore stipulates as a precondition that the childcare organisations cooperate in providing information on the cost structure.

For the year 2020, the costs-price reducing subsidy does not apply to childcare organisations established in Saba. The reason for this is that the fees which childcare organisations in Saba charge already (approximately) equal the amount of the fixed parental contribution. In order to prevent that steps which are taken in the temporary situation have to be reversed in the structural situation as of 2022, it therefore has been decided in consultation with the public entity Saba not to provide cost-price reducing subsidies to organisations in Saba. Late 2020 a decision will be made on the granting of subsidy in 2021.

I. Cost-price reducing subsidy

³ Parliamentary documents II, 2018/2019, 35000-IV, no. 61.

a. The organisations which can apply for the subsidy

Childcare and out-of-school care is arranged differently in the islands and the system provides for both public and private facilities. In order to be allowed to provide childcare and/or out-of-school care, organisations must hold an operating licence or they must be awaiting a decision on the operating licence. The latter only applies to childcare organisations which have already actually cared for children in 2019.

Due to recent developments concerning the COVID-19 virus, the public entities were unable to complete the licencing process and the assessment of the applications for an operating licence in time. For this reason, organisations which already cared for children in 2019 and submitted an application for an operation licence will be able to use the temporary subsidy scheme. Whether an organisation already cared for children in 2019 will be determined in consultation with the public entities.

Only childcare and out-of-school care organisations which comply with the rules laid down in legislation and the local ordinance, and the requirements for safety, hygiene and quality stipulated therein will qualify for an operating licence. The licencing is performed by the public entity. Organisations with temporary exemption for certain elements concerning several obligations ensuing from the island ordinance, also qualify for a cost-price reducing subsidy.

The guiding principle is that childcare and out-of-school care organisations with an operating licence or organisations which are awaiting a decision on the operating licence qualify for cost-price reducing subsidy via the temporary childcare subsidy scheme Caribbean Netherlands. Of course they must additionally meet the requirements stipulated in the temporary financing scheme and they must comply with the obligations laid down in the Regulation.

2020 still qualifies as a transitional situation because the local childcare ordinances will enter into force in 2020. After the local ordinance has entered into force, the childcare organisations will have to apply for an operating licence with the public entity.

Nothing has yet been said in the BES(t) 4 kids programme about the position of host parents in the childcare system in the island. A decision on that still has to be made.

The purpose of the scheme is to reduce the price of day care and out-of-school care for parents. This also applies to host parent care. Pending a final decision on the future of host parent care, it is up to the public entity to decide whether or not to include host parent care in the temporary subsidy scheme. In Bonaire, host parent care is subsidised under the temporary subsidy scheme. The current subsidisation does not mean that host parent care will also be financed by the government in the structural situation.

b. Requirements and obligations

As described earlier, the guiding principle is that childcare and out-of-school care organisations with an operating licence or organisations which are awaiting a decision on the operating licence and which can prove that they have cared for

children in 2019 qualify for cost-price reducing subsidy. Additionally, in consultation with the public entities, several supplementary requirements are imposed on the organisations which qualify for the cost-price reducing subsidy. The *first requirement* is that children for whom a cost-price reducing subsidy is requested are registered in the island and are also registered there as residents. In special cases, the public entities can make an exception in consultation with the Ministry of Social Affairs and Employment. This includes cases of children with a refugee status.

The *second requirement* is that agreements between the parent and the childcare organisation must be recorded in a written agreement. This written agreement must at least include the duration of the agreement, the number of half-day care sessions per month, the type of care and the fee. Relevant elements of the agreement must be submitted to the implementing agency of the Central Government on request. If there is no written agreement, there is no entitlement to subsidy. The childcare and out-of-school care organisation will have to present the agreement at the request of the implementing agency. For children who stop attending childcare at the organisation concerned in the interim, the amount of the subsidy will be determined on the basis of the number of half-day sessions in the relevant quarter, which have actually been attended.

The *third requirement* is that the childcare organisation must have a transition plan approved by the public entity within three months after the granting of the subsidy. The childcare organisation must record in the transition plan what part of the subsidy will be used for the reduction of the amount which the parents must pay for childcare and what part will be used for investments in the improvement of the quality of childcare and when those improvements will be realised. Part of the BES(t)4 kids programme is also aimed at the improvement of the quality of childcare. Well-trained staff will largely be responsible for realising this. The improvement of the employment conditions (salaries, working hours, paid leave) is one of the instruments to retain staff for a longer period of time and to promote taking training and education courses. Part of the subsidy will therefore be made available to finance cost-price increasing measures such as higher salaries.

In addition, organisations will undertake a number of obligations when they accept the subsidy. In order to make childcare financially more accessible, the *first obligation* which is imposed is that there is a parental contribution. Those amounts vary per island and per type of care. For Bonaire it has been decided to use a minimum and maximum parental contribution, the so-called thresholds. The minimum thresholds which have been set are such that expectations are that the parental contribution will not increase in 2022, except for inflation. The maximum threshold has been set at such an amount that childcare organisations with a relatively high parental contribution will be able to continue to provide childcare services with the subsidy amount granted and the parental contribution. It is still unclear at the moment what the amount of the parental contribution will be in the structural situation (as of 2022). The guiding principle is that no steps will be taken during the temporary scheme, which are not in line with the expected parental contribution in the structural situation.

For St. Eustatius it was decided to use a fixed, minimum parental contribution because the amount of the subsidy is sufficient to finance the reduction of the parental contribution and to take the first steps in investing in the quality of the

care. If the childcare organisation chooses to charge a higher parental contribution than the maximum parental contribution specified in the Regulation, the subsidy will be reduced by the amount in excess of the maximum parental contribution.

It is possible that the obligation to pay the minimum parental contribution will not be met if there is supplementary childcare subsidy. In that case the implementing agency has the option of suspending this obligation for the organisation concerned in consultation with the public entity.

The *second obligation* states that the childcare organisation must implement the obligations ensuing from the transition plan. After all, the subsidy offers a childcare organisation the opportunity to use part of the subsidy to improve the quality of care. If the childcare organisation fails to comply with the agreements, this could be a reason to suspend the subsidy or even terminate the subsidy. The public entity will periodically notify the implementing agency thereof.

The *third obligation* is that the childcare organisation must participate in the BES(t) 4 kids programme and cost-price studies conducted in the context of the programme. Where appropriate, the childcare organisation will be notified of the structure of the study in a timely fashion.

c. Amount of cost-price reducing subsidy

The public entity has determined the amount of the cost-price reducing subsidy per half-day session. In this process it accounted for the amount of the parental contributions which childcare organisations already charge parents.

For a large number of organisations, a considerable part of the subsidy will be needed to reduce the parental contribution in order to meet the thresholds set in the Regulation. The remainder will have to be used for investments aimed at improving the quality within the childcare organisation. Childcare organisations which already charge a fee which equals the fixed parental contribution, may use the entire subsidy for investments which improve the quality of childcare.

The subsidy per child is based on the number of half-day sessions provided and invoiced (day care or out-of-school care). Childcare organisations will receive a proportional part of the subsidy for a child who only attends childcare part of the time. This will be based on the agreement which the parent concludes with the childcare organisation. The maximum total amount of the cost-price reducing subsidy which the childcare organisation can receive will be based on the maximum number of children which the childcare organisation may care for as stipulated in the operating licence.

In order to reduce the administrative burden for childcare organisations and the implementing agency, and at the same time be able to respond to changes in the course of the year, the cost-price reducing subsidies will be paid on a quarterly basis in the form of an advance payment. The amount will be set afterwards on the basis of the childcare purchased in the previous period. Until the end of the first month of a quarter, an organisation may apply for subsidy for that relevant quarter. Applications for that quarter which are submitted after the end of that first month will be rejected. It is possible though to submit an application for the subsequent quarter.

An important guiding principle is that childcare is not free of charge and that parents pay an own contribution. The Regulation therefore stipulates thresholds for day care, host parent care as well as out-of-school care, which the parental contribution should not exceed. The implementing agency may request the childcare organisation to inspect the childcare organisation's financial records in order to determine whether the parents paid the childcare organisation the parental contribution.

One of the obligations is that childcare organisations must ask a parental contribution. The implementing agency will be authorised to deviate from this. This is for instance the case when it concerns childcare place subsidies. This also may apply to several childcare organisations which received subsidy from the public entity in 2019, as a result of which the parental contribution is lower than the minimum parental contribution. The parental contribution of these organisations does not need to be raised in 2020. The childcare organisation should however bear in mind that the fees will need to be raised in 2021. More clarity on this topic will be provided in the course of 2020.

d. Implementation

The BES(t) 4 kids temporary subsidy scheme will be implemented under the responsibility of the Central Government, in close collaboration with the public entities. Implementation and Policy (in Dutch: Uitvoering van Beleid, the implementing agency), part of the Service, Collaboration and Implementation Department (in Dutch: Uitvoering, afdeling Uitvoering van Beleid) of the Ministry of Social Affairs and Employment, on behalf of the Minister, is in charge of the implementation. The implementing agency will process applications for subsidies, take care of the infrastructure for the periodical data supply and will be responsible for the timely payment of the granted subsidies. The implementing agency has the power to prescribe how information or data should be provided. The implementing agency will also offer support in this process.

The public entities and the implementing agency will collaborate closely. The public entity in collaboration with the implementing agency will act as the point of contact (front office). The front office is a collaboration of the public entity and the implementing agency. The public entity will be responsible for the licencing and for the assistance offered to parents and childcare organisations. The implementing agency will be responsible for a proper implementation of the subsidy scheme. The agreements between the implementing agency and the public entities about the division of responsibilities and assignment of duties will be defined in more detail in collaboration agreements.

In order to have a more complete picture of the financial status in once place, i.e. at the implementing agency, other subsidies in the context of the BES(t) 4 kids programme will also be administered by the implementing agency. Childcare and out-of-school care organisations are currently subsidised by the public entities. In the framework of a gradual transition to a new funding mechanism, these subsidies will be phased out (gradually) in order to realise incorporation into the new system. It will be determined in consultation with the public entity how any supplemental subsidies will be granted and who will be in

charge of the implementation thereof. The implementing agency will inform the public entities and the Central Government periodically about the financial status.

Application

The childcare and out-of-school care organisations which hold an operating licence or which are awaiting a decision on the operating licence will submit the application for a cost-price reducing subsidy or supplementary childcare subsidy to the implementing agency.

The childcare organisation will submit the application via the digital form made available for this purpose. During this process, the childcare organisation will provide insight into the number of children that it expects to care for and the number of half-day sessions per child that it expects to offer in the next quarter. The information about the number of children and the number of half-day sessions per child is essential to determine the amount of the subsidy which the childcare organisations may qualify for. In addition to the completed application form, the childcare organisation will submit a copy of the operating licence or a copy of the application for an operating licence, a signed bank statement, fully showing the account number, and a certified extract from the Trade Register (including a mandate in case of shared authority to sign). In the event of reasonable doubt regarding the correctness of the information, the childcare organisation may be asked to provide a detailed explanation of the application to the front office or the implementing agency. The implementing agency will notify the public entity thereof.

The implementing agency will process the application. If a childcare organisation does not provide any data or provides incorrect data, the application cannot be processed. The public entity will also be notified of the submitted application and will be requested to verify the information which is also available at their organisation and to provide any additional information. The public entity must, for instance, clarify the question whether the childcare organisation has already demonstrably cared for children in 2019 and whether the children are residents of the island. The childcare organisation or the public entity may verify the signed agreement in the parent's possession at the request of the implementing agency. The guiding principle is that, where possible, the implementing agency will use the information which is already available at the public entity by requesting it from the public entity. This way it can be prevented that the organisations must submit the same data which is already known to the public entity once again or certain data (such as, for instance, whether a child is registered in the island) can be verified.

The implementing organisation aims to reach a decision on the application within six weeks, with a delay up to a maximum of seven weeks. This is in line with the *Kaderregeling subsidies OCW, SZW en VWS* (Framework Regulation on Subsidies of the Ministries of Education, Culture and Science, of Social Affairs and Employment and of Health, Welfare and Sport), which stipulates a period of 13 weeks.

If the childcare organisation meets the requirements, the implementing agency will grant the subsidy. In that case the childcare organisation will receive a granting decision from the implementing agency. The granting decision is valid from the issue date and in any event expires on December 31st, 2021. The

implementing agency will notify the public entity of the granting decision. If the childcare organisation's operating licence is revoked, the subsidy payments will stop from the day on which the operating licence is revoked and the granting decision will also be revoked. The decision states the amount of the subsidy payment of the relevant quarter, which the childcare organisation qualifies for on the basis of the forecast number of children and the duration of the childcare per child. The implementing agency quarterly makes an advance payment totalling the subsidy amount to the childcare organisation.

Periodical information on the purchase of childcare

In order to realise effective granting and regular payment of the subsidy, the childcare and out-of-school care organisation will quarterly provide information on the use of childcare and out-of-school care to the implementing agency in the fashion prescribed by the implementing agency. When providing the periodical information, the childcare organisation must notify any changes in the situation of either the parents or the children (which includes new children, children who have moved out, amended agreement).

The subsidy amount for the quarter concerned is determined quarterly and the advance payment for the next quarter is paid quarterly on the basis of the use. If there is any reason to do so, the advance payment for the next quarter will be settled against the previous quarter.

If the information provided during the periodical information provision is incorrect, the payment of the advance payment may be discontinued in full or in part. The same also applies when it turns out during an interim inspection that the childcare organisation does not meet or no longer meets the prescribed requirements.

After payment, the childcare organisation will have six weeks to notify that the subsidy amount over the last quarter is incorrect. The implementing agency will notify the childcare organisation of the subsidy over the previous quarter and the amount of the advance payment for the next quarter.

In order to determine whether the children for whom the cost-price reducing subsidy is granted have actually received day care or out-of-school care, the childcare organisation will keep attendance records. These are part of the organisation's records and should be retained at least five years after determination of the subsidy. If requested, the records may be inspected by the implementing agency to assess the subsidy application.

Subsidy limit

The scheme comprises a subsidy limit. This subsidy limit has been imposed in order to be able to control expenditure for the cost-price reducing subsidies. The limit has been set on the basis of the ambition to allow 80 percent of the children to use childcare and out-of-school care. Expectations are that the available subsidy amount will be sufficient. The limit has been set per island.

If an organisation wants to expand the number of places at a location, they need to submit a revised application for the number of additional places in order to qualify for subsidy for the number of additional places. The application for the additional part will be regarded as a new application and will be treated as such. This means that the date of receipt of the full application determines the order.

The subsidy limit offers the public entity and the Central Government the opportunity to monitor the development of demand for childcare and to assess on the basis thereof whether the subsidy limit should be adjusted.

In autumn 2020, the public entity may decide, in consultation with the Central Government to raise the subsidy amounts and the thresholds for the amount of the parental contribution. This also has consequences for the subsidy limit. In any event, the amount of the cost-price reducing subsidy will not be lowered relative to 2020

II. Supplementary childcare subsidy

In order to ensure that childcare remains accessible to parents who cannot afford it, the public entities have the supplementary childcare subsidy. Parents who meet the criteria established by the public entities qualify for a supplementary childcare subsidy if there is budget available. The supplementary childcare subsidy is supplemental to the cost-price reducing subsidy. For this reason and to ensure that the childcare organisation has to deal with only one payment organisation, the payment of the supplementary childcare subsidy will be performed by the implementing agency.

Amount of fixed parental contribution

The public entity will, in coordination with the Central Government, set the criteria which parents must meet to qualify for a supplementary childcare subsidy. This group must pay a parental contribution of \$40.00 (day care) and \$25.00 (out-of-school care) respectively. Nonetheless, there is a risk that even when the parental contribution is this low, parents may choose not to use this subsidy, depriving children of the opportunity to attend childcare. This is why public entities as the party responsible for the island poverty policy will be given room to decide on whether they want to compensate certain parents for the full amount of the parental contribution. The public entity is eminently capable of making a careful assessment on the basis of the set criteria.

Method of operation

The childcare organisation may submit an application for supplementary childcare subsidy to the implementing agency for children of parents who grow up in poverty. This is only possible after the parent has notified the public entity that they want to qualify for a supplementary childcare subsidy.

The public entity will subsequently advise the implementing agency on the supplementary childcare subsidy by investigating whether the parent meets the requirements imposed. This will lead to a recommendation by the public entity to the childcare organisation, in which the public entity indicates that the parent meets the income criteria.

The childcare organisation will submit a copy of the recommendation to the implementing agency on request. The implementing agency will submit this to the public entity for verification, if deemed necessary. The data which are relevant to determine the supplementary childcare subsidy are known to the implementing agency, this includes the amount of the fee which the childcare organisation

normally charges the parent, the amount of the temporary cost-price reducing subsidy and the amount of the parental contribution which the public entity determined when granting the supplementary childcare subsidy.

The implementing agency subsequently determines, based on the recommendation of the public entity, the amount of supplementary childcare subsidy on the basis of the parental contribution charged by the organisation. The childcare organisation will receive a granting decision from the implementing agency, stating the amounts of the supplementary childcare subsidy. The implementing agency will subsequently pay the childcare organisation, the supplementary childcare subsidy and the cost-price reducing subsidy.

The public entities are responsible for checking whether the parents meet the set criteria for supplementary childcare subsidy. The public entity will notify the implementing agency when relevant changes occur in the situation of the parents, which affect the supplementary childcare subsidy. The implementing agency will periodically perform random checks, if appropriate, in order to verify the correctness of payments made by the parents to the childcare organisation and to inform the public entity of the results.

The childcare organisation is obligated to notify the implementing agency of any information or data which may affect the amount of the supplementary childcare subsidy (after the decision on the application). If the end date of the childcare agreement changes, for instance, the childcare organisation will notify the implementing agency thereof.

III. Justification

A final decision will be drawn up at the end of the subsidy period, determining the subsidy. This is at the end of the temporary subsidy scheme. The subsidy amount will be determined on the basis of the subsidy amounts granted over the duration of the period on a quarterly basis. Within 22 weeks after the date on which the activities for which the subsidy was granted, have been performed, the implementing agency will reach an ex officio decision on the determination of the subsidy.

The subsidy is determined on the basis of data which the implementing agency received from the childcare organisation during the term of the subsidy. The records should at least comprise: a list of all registered children, copies of all written agreements reached with parents, invoices and proof of payment documents showing payments made by the parent to the childcare organisation, and a quarterly statement per parent comprising a statement of the number of half-day sessions per month purchased per child. The latter is important to be able to determine whether the children are actually using the childcare services.

The records must be up-to-date, transparent and verifiable, available on site and should be made available at the request of the implementing agency. The half-day sessions included in the attendance records may deviate from the half-day sessions invoiced by the childcare organisation in a certain month. If it has been agreed that the childcare organisation is also paid when the child is absent for a

couple of days due to sickness, for instance, the attendance records will show the child's absence but the half-day sessions will be invoiced anyway. This is permitted from time to time, if it ensues from the agreement.

However, if the agreement shows that four days of childcare are purchased and that also four days are invoiced, while the records show that the child structurally attends only two days, the fee for the other two days was wrongly received. Major structural differences between the realised childcare (the care actually received) and the agreed hours may be a sign which leads to further investigation by the implementing agency. Therefore it is required that the childcare organisations factually record which child is present when.

If the childcare organisation's records do not meet the set requirements, the childcare organisation will be urged to ensure that the records meet the set requirements. In general, the childcare organisation will be given the opportunity to rectify this in a certain period. If, in the end, the records do not meet the requirements, it will not be possible to determine the lawfulness of the childcare compensation and the implementing agency may revoke the decision to grant subsidy and recover the wrongly granted subsidy. The requirements imposed on the records in this scheme, apply to all organisations which receive subsidy under the scheme. In this context, no distinction is made between organisations which have applied for an operating licence and organisations already holding an operating licence.

In the context of this temporary scheme, no record-keeping obligations such as, for instance, the submission of an assurance report and a report stating the factual findings prepared by an accountant in conformity with Article 7.5, second paragraph, of the *Kaderregeling subsidies OCW, SZW en VWS*, will be imposed, with the exception of those prescribed in the Regulation. This is a derogation from the arrangements prescribed in the *Kaderregeling subsidies OCW, SZW en VWS*. The reason for this is that these aspects will be taken into account in the investigations, random checks and monitoring visits of the implementing agency. All organisations can be inspected by the implementing agency prior to the determination of the final subsidy.

The childcare organisation must store the available personal data safely and properly, while complying with the legal rules, even when it concerns the statutory retention periods.

The implementing agency is responsible for a lawful implementation of the subsidy scheme. Furthermore, the implementing agency is responsible for checking whether the childcare organisation meets the requirements and obligations of the subsidy scheme. The implementing agency will be partly dependent on the public entity in the execution of payments of the supplementary childcare subsidy. If there are justified reasons to suspect that there are irregularities based on signs from the public entities, other legal entities in the island or based on the childcare organisation's records, the implementing agency will suspend payment. The public entity and the implementing agency will be notified thereof.

During the process, the implementing agency will periodically monitor whether organisations meet the requirements and obligations. During the first year the

monitoring will be aimed at providing support to organisations. After expiration of the scheme, the implementing agency will perform an integrated assessment. Where it is found that the childcare organisation does not meet the requirements and obligations, the organisation will be given the opportunity to rectify this. If the childcare organisation fails to do this in time, payments will be suspended and recoveries may be made.

BY ARTICLE

Article 1 Definitions

This Article contains several definitions. The proposed definition of childcare in this Article follows the definition used for childcare in the European Netherlands, where the care is provided commercially or otherwise not free of charge. Furthermore it is important that it not solely concerns the care for children. Childcare must also contribute to the child's development.

The definition of host parent care also adheres to the definition which applies in the European Netherlands. Host parent care is a special type of childcare which is offered at the house of the parent or host parent which serves as their principal residence. The definition differs from the one used in the European part of the Netherlands to the extent that host parent care offered in the Caribbean Netherlands does not involve the mediation of a host parent agency.

The cost-price reducing subsidy aims to reduce the costs of childcare for parents. Not the entire subsidy necessarily leads to a reduction of the parental contribution because childcare organisations can also take quality-improving measures in the context of the BES(t) 4 kids programme. Without the subsidy, the parental contribution could increase as a result. The parental contribution as defined in the temporary scheme accounts for the impact of the cost-price reducing subsidy. Supplemental to the temporary subsidy scheme, the public entities grant parents of children who grow up in poverty a compensation amount equalling the remainder of the parental contribution. The public entities already use the instrument of supplementary childcare subsidy for this purpose.

The transition plan describes how the subsidy amount will be allocated between lowering the parental contribution and quality-improving measures. The transition plan also describes what measures the childcare organisation will take to comply with the ordinance as well as the associated time frame and what other quality-improving measures will be taken (including the procurement of material and higher salaries for staff).

Article 2 Purpose of subsidy

For the purpose of this subsidy scheme, please refer to the general section of the explanatory notes.

Article 3 Application of Kaderregeling subsidies OCW, SZW en VWS

The *Kaderregeling subsidies OCW, SZW en VWS* (Framework Regulation on Subsidies of the Ministries of Education, Culture and Science, of Social Affairs and Employment and of Health, Welfare and Sport) has been made applicable to this Regulation. Derogations from the Regulation are explicitly mentioned.

Article 4. Application period

The times specified concern local times. Applications for the Caribbean Netherlands territory must be submitted there and therefore the local times there

will apply to the application period. The registration period is the period from the day after publication of this Regulation, 09:00 hours to October 31st, 2021, 17:00 hours. Applications submitted outside this period will not be processed.

Article 5. Subsidy limit in St. Eustatius for cost-price reducing subsidy

The subsidy limit in St. Eustatius is based on the following number of children who will use childcare: 160 children for day care and 200 children for out-of-school care. The scheme will enter into force in St. Eustatius as of July 1st, 2020. This means that there is a subsidy limit of \$1,058,400.00.

Article 6. Subsidy limit in Bonaire for cost-price reducing subsidy

The subsidy limit in Bonaire is based on the following number of children who will use childcare: 700 children for day care and 1200 children for out-of-school care. The scheme will enter into force in Bonaire as of July 1st, 2020. This means that there is a subsidy limit of \$5,760,000.00.

The payment of subsidies will be effected in dollars. There is a possibility that the subsidy amounts and the subsidy limit for 2021 will be adjusted at the end of 2020.

Article 7. Subsidy limit in Saba for cost-price reducing subsidy

For the time being Saba does not wish to use the cost-price reducing subsidy because the fees in Saba are so low that a cost-price reducing subsidy will have no impact on day care and little impact on out-of-school care. For this reason Saba chooses not to grant cost-price reducing subsidy in 2020. The subsidy limit for Saba is therefore set at 0. This probably will be different in 2021. This will probably lead to an adjustment of the scheme late 2020.

Article 8. Method of allocation of available resources for cost-price reducing subsidy

The applications, if complete, will be processed on a first-come-first-served basis and as long as the resources have not been exhausted.

Article 9. Subsidy application for cost-price reducing subsidy

The applicant of a subsidy will be a childcare organisation or a host parent care facility holding an operating licence or awaiting a decision on the operating licence and which can prove that they have cared for children in 2019.

Applications may be submitted by means of an application form established by the Minister, which is available on www.mijnuitvoeringvanbeleidszw.nl.

The third paragraph states what the childcare organisation should at least include in the application. This information will be used by the implementing agency to calculate the subsidy amount and to verify whether the childcare organisation has

an operating licence or is awaiting a decision on the operating licence and is registered with the Chamber of Commerce.

The fifth, sixth and seventh paragraph stipulate that if a childcare organisation wishes to expand the number of childcare places, they must submit a revised application to the implementing agency for this purpose.

The eighth paragraph prescribes that childcare organisations will not receive subsidy for the care of children of host parents. After all, host parents can also arrange care for their own children.

The ninth paragraph stipulates that the childcare organisation must have submitted an application on the last day of the first month of a certain quarter at the latest in order to qualify for subsidy payment for the relevant quarter.

Article 10. Cost-price reducing subsidy requirements

This Article lists the requirements for qualification for a cost-price reducing subsidy. In order to be able to qualify for a cost-price reducing subsidy, a childcare organisation first of all must have an operating licence or must be awaiting a decision on the operating licence.

The second paragraph stipulates that the operating licence must have been granted by December 1st, 2020 at the latest. If this is not the case, the subsidy payments will stop. It is important that the childcare organisations offer safe, hygienic and good-quality care. Due to the developments concerning COVID-19 it has been decided to give the public entities more time to organise and structure the licencing process. This process must have been completed and all applications submitted by organisations which have demonstrably cared for children in 2019 must have been processed and completed by December 1st, 2020 at the latest. If the public entity decides before December 1st, 2020 not to grant an operating licence to an organisation, the subsidy payments will stop as of the end of the month in which the public entity made the decision.

This means, for instance, that subsidy payments to an organisation which receives a negative decision on the operating licence on October 15th and which has a previous granting decision, will stop at the end of October. Subsidy amounts which have been paid for the months prior to the month in which the negative decision was made, will not be recovered. Subsidy applications of organisations which are still pending when the public entity is making the decision, will be rejected.

In order to prevent tourists or people temporarily staying on the island from qualifying for a cost-price reducing subsidy for childcare, the requirement has been added that a child must be registered as a resident in the public entity where the care takes place. Furthermore, the childcare organisation can only qualify for a cost-price reducing subsidy if there is a written agreement between the childcare organisation and the parent.

The agreement between the childcare organisation and the parent is important for the childcare organisation in order to be able to verify which children will be cared

for at the location concerned and how many half-day sessions per child will be purchased. This is also stipulated in the third paragraph.

The fourth paragraph lays down that the childcare organisation must have a transition plan. The transition plan will be assessed by the public entity. Since a childcare organisation needs some time to prepare a transition plan, the organisation will be allowed up to three months to obtain an approved plan. If the plan has not been approved after three months, the organisation will no longer receive subsidy after that.

The fifth paragraph stipulates that in special cases the public entity can make an exception to the requirement that the child must be registered as a resident with the public entity where the care will take place. An exception can, for instance, be made for children with a refugee status. The public entity will advise the implementing agency in these matters.

Article 11. Cost-price reducing subsidy obligations

This Article lists the obligations which the childcare organisation must meet to qualify for a cost-price reducing subsidy.

The first paragraph stipulates that if there is no supplementary childcare subsidy which fully compensates the parental contribution, the childcare organisation is obligated to charge the parental contribution ranging between the thresholds for Bonaire prescribed in the Regulation or the amount which is the same for all parents like the one in St. Eustatius. The amount of the thresholds depends on the type of care. A parental contribution is considered appropriate because it makes parents aware of the value of childcare.

The second paragraph states that the childcare organisation is obligated to perform the actions described in the transition plan.

If the childcare organisation wishes to qualify for a cost-price reducing subsidy, they are obligated to participate in the cost-price studies conducted in the context of the programme, pursuant to the third paragraph of this Regulation. Where appropriate, the childcare organisation will be notified of the structure of the study in a timely fashion.

Article 12. Amount of cost-price reducing subsidy

This Article stipulates the amount of the cost-price reducing subsidies per island for day care, out-of-school care and, if applicable, host parent care. The amounts are based on a subsidy per half-day session per child.

The fifth paragraph states the maximum amount of the cost-price reducing subsidy per location per quarter. This is based on the amount of the cost-price reducing subsidy multiplied by the maximum number of children cared for in accordance with the operating licence. The maximum number of half-day sessions per child is two per day and 40 per month for day care and a maximum of one per day and 20 per month for out-of-school care.

Article 13. Amount of parental contribution

This Article stipulates the amount of the parental contribution per island for day care, out-of-school care and host parent care. These amounts differ because the baseline situation differs per island. St. Eustatius opted for a fixed minimum parental contribution. Furthermore, St. Eustatius does not have subsidised host parent care.

The seventh paragraph states that if the parental contribution of a childcare organisation already was lower than the parental contribution as stipulated in this Article, prior to the temporary subsidy scheme coming into force, the public entity may advise the implementing agency to set the parental contribution at a lower amount. This concerns childcare organisations which already receive a subsidy from the government. The purpose of this paragraph is to prevent that the parental contribution is raised in 2020 and on a relatively short notice. These organisations will have to notify the parents of a potential increase in 2021. Whether or not this increase will actually take place, will become clear in autumn 2020.

The eighth paragraph stipulates that in the event the childcare organisation chooses to charge a higher parental contribution than the maximum parental contribution specified in the Regulation, the subsidy will be reduced by the amount in excess of the maximum parental contribution.

Article 14. Supplementary childcare subsidy

This Article prescribes that the childcare organisation may qualify for supplementary childcare subsidy as a supplement to the cost-price reducing subsidy. This subsidy makes it possible for families which meet the criteria set by the public entity to pay a lower parental contribution or to pay no parental contribution at all. The childcare organisation will submit the application for a supplementary childcare subsidy to the implementing agency. The childcare organisation must be in the possession of an advice issued by the public entity.

The implementing agency calls on the public entity where the childcare takes place for advice on the granting of supplementary childcare subsidy. The public entity also offers advice on the amount of the supplementary childcare subsidy and the amount of the parental contribution which the parent must pay. Please refer to part II of the general section of these explanatory notes for a more detailed explanation.

Article 15. Granting and payment of subsidy

This Article states that the granting decision includes the amount of the subsidy and that the public entity's advice is part of the motivation of the granting decision. In addition, it stipulates that the granting of the advance payment takes place quarterly and that the next advance payment will be determined again after the end of each quarter. Furthermore, the next advance payment will be settled against the previous quarter, if required.

As regards childcare in Bonaire, the subsidy granting cannot take place until July 1st, 2020. This option has been chosen because the ordinance, pursuant to which it is possible to grant childcare organisations in Bonaire an operating licence, was not ready in time. Childcare organisations only qualify for subsidy if they have an operating licence or if they are awaiting a decision on the operating licence and can prove that they have cared for children prior to January 1st, 2020. There will be sufficient time for this licencing in the period up to July 1st, 2020.

Article 16. Information obligations

The implementing agency needs data from the childcare organisation for the granting and determination of the cost-price reducing subsidy. For this purpose the Regulation includes an information obligation for childcare organisations regarding the records which childcare organisations must keep. The first paragraph stipulates that after the end of each quarter, the childcare organisation must notify the implementing agency of the number of half-day sessions per child purchased in the relevant quarter. In addition, the childcare organisation must notify the expected number of children and the expected number of half-day sessions per child for the coming quarter. With this information, the implementing agency can settle any overpaid or underpaid subsidy amount against the amount for the next quarter.

The second paragraph states that the childcare organisation must keep well organised and transparent records so that when an officer of the implementing agency visits a childcare organisation, they can check a limited number of data on site. This concerns data which are important for a childcare organisation's entitlement to and the amount of the cost-price reducing subsidy and supplementary childcare subsidy, and the advance payment thereof.

The third paragraph describes what data and records of a childcare organisation must exist. If the records of the childcare organisation are not organised in a transparent and verifiable fashion so as to meet the obligations referred to in this Regulation, the childcare organisation will be given the opportunity to rectify this within a period to be determined by the implementing agency. If the childcare organisation fails to rectify their records in such a way that they meet the obligations within the period to be determined by the implementing agency, the decision to grant subsidy can be revoked. The childcare organisation's records should be retained for at least five years after determination of the subsidy.

In addition, a childcare organisation is obligated to notify the implementing agency when the end date of a child's childcare changes, when childcare services are no longer provided, when the childcare organisation's operating licence has been revoked or has not been granted by the public entity or when it no longer meets what is described in the transition plan.

Article 17. Grounds for refusal

This Article lays down the grounds for refusal. The subsidy will be rejected if the requirements for a cost-price reducing subsidy and the requirements for a supplementary childcare subsidy are not met or the subsidy limit has already been exhausted due to previously submitted applications.

Article 18. Revocation of subsidy

If the requirements and obligations stipulated in the Regulation are not met, the subsidy will be revoked pursuant to this Article. The subsidy amount paid until that moment can be recovered in full or in part if the granting of subsidy has been revoked.

Article 19. Justification and determination of subsidy

This Article provides for the determination of the subsidy. Part III of the general section of the explanatory notes contains a more detailed explanation of this topic.

Article 20. Entry into force and expiry date

This Regulation will enter into force as of July 1st, 2020 and will expire on December 31st, 2022.

Article 21. Short title

The following name will be used for any reference to this Regulation: Temporary Childcare Financing Subsidy Scheme Caribbean Netherlands.

The Hague,
The State Secretary for Social Affairs and Employment,

T. van Ark