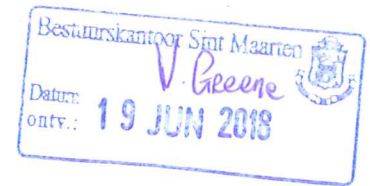




Sociaal Economische Raad
Social Economic Council

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To the Minister of General Affairs
The Honorable Mrs. Leona Marlin- Romeo
New Government Building
Souliga road 1
Pond Island
Sint Maarten



Philipsburg, June, 19th 2018

LETTER OF ADVICE

Our reference: SER /18/DCB/019

Subject: Letter of advice concerning “the feasibility to establish a Sounding Board [Klankbord groep] for the reconstruction of Sint Maarten”.

Honorable Prime Minister Marlin- Romeo,

In reply to your request for advice which was received by our Council on June 1st, 2018, concerning the feasibility to establish a Sounding Board [Klankbord groep] for the reconstruction of Sint Maarten, the Social Economic Council (SER) informs you as follows:

Background and update on the Sint Maarten Recovery Fund:

The massive destruction caused by hurricanes Irma and Maria in September 2017 on Sint Maarten, requires the creation of an (improved) national -level disaster recovery strategy. According to preliminary post disaster assessments from the Government of Sint Maarten, the Economic Commission for Latin America and the Caribbean (ECLAC) and the World Bank, the effects of Hurricanes Irma and Maria are estimated at US\$2.5 billion, with the exception of taking into consideration costs attributed to the human factor.

To date, the work involved to recuperate from the devastation caused by hurricanes Irma and Maria is far from over. It is the observation that the process of rebuilding has yet to move from conference room meetings to actual projects and as such policies and standards are being put in place to promote progress in the recovery process.

The Dutch Government has earmarked EUR 550 million for Sint Maarten’s recovery. In phase one of recovery (early recovery phase) €7 million has been made available. This phase entails projects that can be set up quickly to immediately benefit the people of Sint Maarten. These projects are / will be spearheaded by local and international organizations such as: White and Yellow Cross Sint Maarten, Qredits, Red Cross, Sint Maarten Development Fund (SMDF) and United Nations Development Programme (UNDP).



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Another EUR 24.6 million has been allocated for liquidity support for the Government of Sint Maarten. EUR 470 million will be made available to Sint Maarten through a Trust Fund, which will be managed by the World Bank. The remainder of the funds will be used for direct support from the Netherlands to Sint Maarten in instances when financing through the Trust Fund is not possible or undesirable. Costs related to the World Bank facilitating the distribution of the funds cannot be determined beforehand, since this would depend on the ratio between the recipient- executed activities and the World Bank executed activities during the term of the Fund. However, a new price agreement has been reached under the Single Donor Cost Recovery Framework between the World Bank and The Netherlands.¹

FEASIBILITY SOUNDING BOARD:

Although, the advice request did not elaborate on the specific task(s) of the Sounding Board, the SER believes that it is important in the reconstruction of Sint Maarten, to involve civil society in the initiatives of the National Recovery and Resilience Plan (NRRP).

Hereby ensuring, that the people feel that they are able to participate meaningfully in decisions that are being made about their lives by having a voice. A Sounding Board can be seen as a participatory tool that can be used to help Sint Maarten's reconstruction progress in a more deliberative democratic direction. Involvement and control of the reconstruction process will empower the Sint Maarten community, legitimize the planning process and give the local community ownership of the reconstruction process of the physical and social environment.

As for government, listening to the voices of the local community and acknowledging them as first responders is key in this process.

The SER supports the idea of establishing a Sounding Board hereby engaging civil society in the implementation and monitoring of the reconstruction of Sint Maarten. Through the Sounding Board the community can interact and provide their input on the NRRP initiatives. Apart from an advisory role on the NRRP projects, the SER also proposes that the Sounding Board evaluates the NRRP projects after those have been finalized/ executed.

With regard to the evaluation function of the Sounding Board, the SER noticed that there is no approved national plan for Sint Maarten to use as a benchmark for evaluation.

In absence thereof, the SER proposes that the Sounding Board evaluates according to the Triple Bottom Line² approach. With the Triple Bottom Line approach, the government can measure its degree of social responsibility, economic value and its environmental impact.

¹ Letter regarding Stipend World Bank for Reconstruction of Sint Maarten dated April 4th 2018 from the Dutch State Secretary for Interior and Kingdom Relations Mr. R. Knops to the Chair of the Dutch Second Chamber

² Triple Bottom Line (TBL) is a concept which seeks to broaden the focus on the financial bottom line to include social and environmental responsibilities next to financial responsibilities.



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POTENTIAL MEMBERS:

There is an advantage in establishing a Sounding Board with diverse public and private sector representation that can provide routine input into the overall reconstruction process. In proposing the Sounding Board's potential members, the SER favors a fair, balanced representation of different sectors to guarantee unbiased input from its members and to promote a balanced social dialogue among its members.

However, the Sounding Board should not be too large.

Consideration could be given to representatives from the following organizations for membership:

1. Dutch Caribbean Nature Association (DCNA)
2. Sint Maarten Hospitality and Trade Association (SHTA)
3. Sint Maarten's Chamber of Commerce & Industry (COCI)
4. Sint Maarten Tourism Bureau (STB)
5. Samenwerkende Fondsen Sint Maarten

The SER proposes these organizations for the following reasons:

SHTA, COCI and the STB:

Sint Maarten's economy thrives and depends on tourism and trade. Tourism and trade have the ability to generate jobs and to encourage the direct development of entrepreneurial opportunities. Sint Maarten's tourism and trade sectors have been severely impacted by Hurricane Irma. Consequently, less visitors to Sint Maarten will impact every operational private sector business right across the board to the public sector.

The SER proposes the SHTA, COCI and STB to ensure that tourism and trade maximize their potential to be the engine of social and economic transformation in Sint Maarten in the reconstruction of this island. The SER believes that lack of cohesion and alignment in our planning and policy implementation will result in the unwanted consequence of creating barriers to the sustainable development of the tourism sector specifically, and the economy as a whole.

Dutch Caribbean Nature Association (DCNA):

In the reconstruction of Sint Maarten, the SER finds it important that there should be involvement from civil society in ecological restoration and protection. DCNA is a non-profit organization to protect the natural environment and to promote sustainable management of resources on the six Dutch Caribbean islands. Sint Maarten is represented in DCNA through Sint Maarten's Nature Foundation (as DCNA's Vice Chair) and through EPIC (as DCNA's board member).

The execution of any plan carried out today, will impact generations to come. The SER is confident that DCNA will advise on solutions that preserve and enhance the natural environment and are sustainable for Sint Maarten.



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Samenwerkende Fondsen Sint Maarten:

After hurricane Irma there has been great concern over the well-being of Sint Maarten's citizens. The goal while restructuring Sint Maarten is to rebuild communities that are healthier than they were prior to the disaster. Non-profit organizations, such as Samenwerkende Fondsen Sint Maarten have evolved to better organize the efforts of individuals for long term development. Samenwerkende Fondsen Sint Maarten has, furthermore, actively participated in the process of community support over the years and especially in the aftermath of hurricane Irma. Moreover, Samenwerkende Fondsen Sint Maarten specifically channels information back to and gets feedback from a wide variety of NGO's under their umbrella.

As a group of just 5 representatives one cannot expect full representation on every possible project in the NRRP. However, focusing on visions and suggested actions, the SER trusts that the citizens of Sint Maarten will- to a great extent- support the proposals of the Sounding Board.

The SER's Concerns

On an operational level, the SER queries how the support structure for the Sounding Board will be set up. It is not clear who instructs the Sounding Board, who the Sounding Board will report to, how the back-office support will be organized: who will be taking minutes of the meetings, what will be done with the minutes, who will make actual advisory reports for the Sounding Board, what will happen with the advisory reports, thus what is the feedback loop regarding the Sounding Board?

The credibility of the Sounding Board is dependent on many factors. But most important, it is the measure of commitment of the government that will ensure this Board's success. In order to have an effective and efficient Sounding Board, the SER urges the government to take these concerns into consideration.

Legal framework

The SER advises government to establish the Sounding Board through a national decree, containing general measures³, taking the following points into consideration:

- Clearly define the (advisory and evaluating) tasks of the Sounding Board;
- Determine for which period the Sounding Board will be established, taking into consideration that the execution of some activities financed by the World Bank will cover a longer period than the end of 2021⁴;
- Determine the composition of the Sounding Board: a maximum of 5 members, including its Chairman, how will the members be appointed and dismissed;
- Meetings: how often shall meetings be convened;

³ Article 91 paragraph 1 Constitution of Sint Maarten (Staatsregeling van Sint Maarten, AB 2010 G.T. no.1)

⁴ Dutch State Secretary for Interior and Kingdom Relations Mr. R. Knops confirmed that funding for the reconstruction will be guaranteed on the Dutch budget until the end of 2021.



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- Documentation: what happens to minutes and other documentation of the meetings;
- Rules of Order: further rules laid down concerning the working method;
- Remuneration: the SER emphasizes that the members of the Sounding Board receive a reasonable payment to cover their expenses for being present at the meeting. This payment should not be considered a salary.
- Infrastructure: the SER proposes that it would be more efficient and feasible to make use of an existing structure wherein the selected persons (of the Sounding Board) will be able to carry out their task(s) effectively.

Advice:

The SER has taken notice of the advice request on the feasibility of a Sounding Board and unanimously advises:

- To establish a Sounding Board and take the SER's proposals and concerns into consideration while doing so.

We trust to have informed you sufficiently herewith.

Should you require any additional information after reading the above, please feel free to contact us at your earliest convenience.

Respectfully,

Mrs. Eveline Henriquez- Dijkhoffz
Vice- Chairwoman

Gerard M.C. Richardson
Secretary-General