

Introduction

I exchanged ideas extensively in a General Consultation with Your House of Representatives on September 27th, 2018 about the progress of the administrative, social and economic developments on St. Eustatius after the administrative intervention on February 7th, 2018. During the General Consultation I made the following commitments that I shall address further in this progress report:

- In the first following progress report about St. Eustatius an overview shall be included of all projects that are in preparation and/or in progress (see enclosure);
- In the progress report the issue of the elections shall be addressed extensively;
- In the progress report LNV aspects, hence agriculture, and the local building activities by local workforce shall be addressed.
- In the progress report the latest information about the approach of domestic violence shall be addressed.

The Consultation offered me good insight into the opinions of Your House of Representatives. This gives me the opportunity to also provide more context and perspective with this progress report in order that the views of Your House of Representatives, the Government and the Central Government Commissioner follow and continue along the same lines.

Apart from the reasons, mentioned in my letter of May 3st 1, 2018¹ to Your House of Representatives, I therefore continue visiting St. Eustatius regularly, usually together with other members of the Government. Minister Schouten, Minister Van Nieuwenhuizen-Wijbenga and State Secretary Van Ark have already indicated that they would like to visit the island. The contacts between the Central Government Commissioner and "The Hague" are intensive and adequate, however I experienced that the insight is deepened and broadened by appreciating the island sounds and colours by being there and by talking to residents and administrators.

In this letter I will first outline a general picture where I clarify the opinions and expectations experienced by the population on St. Eustatius further. More specifically, I will address the theme of elections because this is experienced as an important subject by the political groups on the island. Then, the progress on the various domains is described: the administrative, the social and the physical domain. I shall conclude with the sections about the economic structure and the public order and security.

General picture

Opinions

The population sees the progress in the reconstruction of houses and also of other buildings that are being repaired.

Farmers and fishermen experienced that the inventory of the incurred damages was actually converted into the supply of material to repair the damages. In the tourist industry 24 businesses received compensation for the loss of turnover due to Irma and Maria. These visible and noticeable activities give the population the confidence that adequate administrative actions lead to results.

Through town hall meetings the Central Government Commissioner aims to – sometimes together with departmental delegations – inform the population. For instance, in September 2018 presentations were given about the approach of the erosion and about the new development of the airport terminal and the control tower. On December 13th, 2018 there shall be another one about the road plan.

¹ Parliamentary Papers II 34 877 no. D

In October 2018 a town hall meeting took place about a zoning plan change for the benefit of the building of a hotel and villas (Guyeau Estate). Those present were able to establish that the Central Government Commissioner is pleased to lend cooperation in this economic impulse whilst taking into consideration the effects on the environment and historical objects.

The Central Government Commissioner otherwise informs the population via Facebook, the website of the Public Entity and in meetings that he has with the people at events and gatherings.

The small scale of the island has the advantage that developments are quickly known to a considerable part of the population. After all, civil servants, employees and entrepreneurs and members of the Social Advisory Council and the Cooperative Platform contribute to distribute information that then continues its way via social media. Since the end of October the minutes of the Social Advisory Council have been published.

The weekly appointment hours of the Central Government Commissioner and his deputy are still frequently visited. The appointment hours can, in terms of theme, be considered as a function where mediation between public and/or private parties, referral to the correct authorities and handling of complaints takes place. The Central Government Commissioner examines how this function can be set up sustainably on the island. The list of decisions is posted weekly on the website www.statiagovernment.com under the header "notices and services".

I do not want it to go unmentioned that, through its mode of action, the present administration is also stirring up initiatives amongst the population and beyond. For instance, the initiative of an artist with a Statian background to open a gallery with a workshop. Also aiming to stimulate the development of creative skills amongst the population.

The reconstruction of the houses incited volunteers to repaint the exterior of repaired houses in their own time for residents who cannot do this themselves due to age, condition or income.

These expressions of community spirit are very important in a small society.

It is also noticeable that more permits in the area of small activities are applied for than expected. Partly on the basis of new initiatives, partly because previous applications did not lead to adequate handling and decision-making by the previous administration.

I also qualify these developments as an expression of confidence.

On the other hand, not everyone is pleased with the intervention. Three former members of the Island Council and the two former Commissioners have recently instituted proceedings against the State of the Netherlands before the Court of First Instance of Bonaire, St. Eustatius and Saba. They are of the opinion that the State committed an unlawful act towards them and they therefore claim 'compensation and/or reinstatement of position'. They instituted preliminary injunction proceedings to "remove" the Central Government Commissioner and his deputy "from the island".

Expectations

The growing confidence in the administration and in the approach of the Dutch Government does not alter the fact that the population and spokespersons like the Social Advisory Council and the Cooperative Platform also express their expectations about other potential improvements, in particular in the physical and social domain. For instance, the expansion and affordability of the connections by air and sea are high on everybody's wish list. The Government can and wants to facilitate this by improving the seaport, renovating the airport terminal and the control tower, safeguarding the security level at both locations and, where required, granting authorisations to airlines and operators of ferry connections. However, the actual commercial risk to invest in air and sea connections is basically vested in market parties, as is the ultimate pricing. The Minister of Infrastructure and Water Management is currently examining all the possibilities to improve the connectivity by air to St. Eustatius. At the beginning of 2019 your House of Representatives will be informed of this.

The population is also looking forward to better and cheaper internet connections, even though the public limited company Eutel did take a step in that direction before the summer of 2018. The scope of the scale does, however, not enable sharp prices and the same applies to the retail prices that are, compared to the income situation, experienced as (too) high by many.

In the *physical* domain they look forward to more visible results when it comes to roads, water, erosion and the port. I am, together with Your House of Representatives, of the opinion that an unorthodox approach should not be eschewed, in particular when it comes to awarding contracts. Sometimes it is well possible to place the role of client in constituent projects with the local administration. The recent tendering procedure for emergency measures on the eroding cliff is a good example of this. Having regard to this example, the Government and the Central Government Commissioner also consider if the faster local tendering procedure can be used in other processes. In the capacity of client, the Central Government Commissioner applies tender procedures in order to obtain transparent market forces, both on the demand side (more parties can submit a tender) and on the supply side (competition on price and quality).

I detect a certain tension between the wish to speed things up and the wish to simultaneously deliver sustainable quality so that the efforts and investments shall not have evaporated in neglect after a few years. At the same time, there is a number of external factors that influences the pace. I am pleased to outline this context for a better understanding.

For instance, the approach of the erosion and of the renovation of the roads and seaport requires solid preliminary surveys, in particular the curbing of eroding effects that (also) determined the condition of the roads, the seaport and the cliff. With regard to roads the combination of road construction, the installation of underground pipes and cables, better drainage and specific water collection plays a role. The same applies to the development of the seaport, which is related to the approach of the erosion of the coastline near the port.

These projects and those of the reconstruction are not the only ones. Departments continue, with the deployment of the Central Government Real Estate Agency, their projects on schools, RCN buildings and monuments, in the same manner as investors, local entrepreneurs and the population do this. Due to the small scale of the island this has resulted in a market situation where the availability threshold of contracting businesses and local employees has converged. The explicit wish of Your House of Representatives, the Government and the Central Government Commissioner to work with local contractors and employees as much as possible is being, materialised.

There are also weather conditions (in the autumn) in the region that impose restrictions. (Imminent) storms or hurricanes and, in particular, periods of prolonged rough sea conditions hinder the arrival of vessels to St. Eustatius. Due to the small capacity of the seaport it then takes a while before the regular transport movements are back on schedule. As a consequence building materials arrive later and equipment and material to be disposed of, e.g. the car wrecks, cannot leave according to the planning.

As the Government shares this context with you, I requested the Central Government Commissioner to also (continue) doing this with the population and its spokespersons. Nonetheless, the Central Government Commissioner and the Government make every effort to continue making progress. After all, the guiding principle remains to have the intervention continue as short as possible, however as long as required.

Also in the *social domain* there is talk of explicit expectations on the island. The establishment of a social minimum is a broad and deeply-rooted wish, also on Saba and Bonaire and in Your House of Representatives. There is appreciation on the island for the first steps in conformity with the reaction of the Government to the report of Regioplan², however I do not want to conceal that there is also disappointment. These first steps are, however, conditional for the imposition of a combination of measures to tackle poverty, both on the income and on the expenditure side.

The State Secretary for Social Affairs and Employment pledged Your House of Representatives a progress report concerning the measures from the Government reaction for next year, prior to the evaluation that will be carried out in 2020. The Van der Graaf motion accepted by Your Government in the context of the debate about the reaction of the Government requires to also indicate what steps must still be taken in order to establish a standard for the social minimum.

On the same occasion the Van den Berg motion was accepted that requests the Government to develop an integral multi-annual administrative agreement per island for at least a period of five years. This shall include mutual result obligations, aimed at the reduction of poverty and improvement of the living conditions. Apart from the further improvement of the social safety net, the increase of self-sufficiency activities like infrastructure, agriculture and energy, it is about the stimulation of good administration, good financial management and the strengthening of the public administration through, among other things, training.

The administrative domain

The public service organisation

Since 2014 adjustments in the salaries, the allowances and compensations of civil servants have been omitted almost entirely. The Central Government Commissioner decided to rectify this in two tranches– September and December in 2018. The two tranches are chosen to give the employees the opportunity to submit a request for review and to enable the organisation to implement potential corrections.

The adjustments were budgeted by the previous administration annually, but were never implemented. The effect of the one salary increase on the other, however, was not budgeted as a result of which the correct calculations are absent, which leads to an unexpected structural effect on the budgets for 2019 and onwards.

At the end of August 2018 meetings took place for all civil servants as a kick-off for the training programme with a “motivational speech” of an external change manager.

At the beginning of October 2018, the official professionalism mandatory training started for all civil servants within the framework of the professionalisation programme *Statia is my home: how to excel as a civil servant*. The intention is to realise a situation where employees will perform their activities in conformity with legislation and regulations, policy rules and applicable codes of conduct. Attention is also paid to etiquette, rights and obligations. The tender procedure has led to an agency that has extensive experience in the Caribbean.

Work is being carried out on a multiannual training programme, both relating to the content as in the area of professionalism. After all, permanent training offers the key to a good functioning administrative system. Apart from the programme, civil servants are also following training if needed for a better performance of their position.

² Parliamentary Papers II, 34 775 IV, no. 45

Meanwhile, the Central Government Commissioner outlined the contours of a personnel and restructuring plan within which he wants to make further choices to restructure the public administration. The objective is a more efficient and more effective public administration with the starting point “the right functionary in the right position”.

In line with these these activities, the Central Government Commissioner is developing, in cooperation with the Ministry of the Interior and Kingdom Relations, a training programme *Building on the Future* where, in joint training sessions between civil servants and politicians who want to be part of the administration in the future, themes will be handled such as mutual division of roles and responsibilities, integrity, specification of legal frameworks etcetera.

With regard to the building of a new administration building, the existing programme of requirements is presently adjusted to the current insights, such as the accomodation of one physical point of contact. In the administration building the civil servants of the Public Entity and those of RCN will be housed. This will stimulate further cooperation.

Financial management

In the spring of 2018 two auditors of the National Audit Service (ADR) audited the financial management at the Public Entity at the request of the Central Government Commissioner. The continuing rumours that there would be question of embezzlement, fraud and self-enrichment gave cause to this. On June 13th (provisional reaction) and July 5th, 2018 (definitive reaction) the Central Government Commissioner reported to me that the auditors did not find any direct indications to substantiate the assumptions. They did, however, observe many mistakes, administrations that do not mutually match, the absence of checks and balances and irregularities. The financial management is so neglected that they advised to set up the complete financial function all over again and to digitalise it. Through digitalisation the chance of (chain) mistakes, omissions in procedures, manipulation, embezzlement and fraud is reduced considerably. Through professional financial management as a foundation, the planning and control cycle and the budget management also become easier to carry out and thus better controllable.

Meanwhile, on October 2nd, 2018 the Central Government Commissioner submitted the Plan of Approach that he had committed to. This contains, apart from the plan to digitalise and to centralise the financial activities of the Public Entity, almost 90 action points to bring the management in order. This also includes actions to adjust decrees and to train employees.

In the Plan of Approach the Central Government Commissioner indicates that he also wants to improve the budgetary aspects, e.g. by granting subsidies at expenditure level in conformity with the correct procedure and on the basis of the correct foundation. On the income side he is looking for the need and the possibilities of adjusting the rates of local taxes, levies, retributions and duties because in many instances this has not happened for years. Potential adjustments will, however, need to be implemented in a series of years, considering the financial ability of the population and the accumulative effects.

The realisation of the Plan of Approach continues into the year 2021.

One of the reasons for disorderly financial management is the absence of supervision on the legitimacy of income and expenditure. Although the WoIBES foresees the function of an audit office, it has not been set up for the three Public Entities yet. I do not want this situation to continue. Meanwhile, discussions are pending with the Netherlands Court of Audit and the Audit Office of St. Maarten in order to examine how they can be of assistance in

setting up an audit office function. Mid-2019 there should be clarity about how and when the function can be established and whether this shall require a legislative amendment.

On August 17th, 2018 the Central Government Commissioner submitted the second budget amendment and implementation report. The 2019 budget is submitted, in conformity with the relevant agreement, before November 15th, 2018.

The Finance Unit of the Public Entity and the support from the Netherlands work under great pressure, despite the assistance of an external accounting firm. The employees need to apply new methods, realise the planning and control cycle as agreed, remedy mistakes, follow training and implement the Plan of Approach.

Strengthening administrative structure

In order to enable a subsequent administration of the Public Entity to properly perform its duties, the Central Government Commissioner started a number of structure enhancing activities that strengthens the foundation of an administration.

The Public Entity has no less than one hundred ordinances and decrees of which a large number are no longer up to date. It appears that a number can be repelled, others are no longer in line with the legal framework (contra legem provisions) or no longer comply with the present safety requirement for mankind and environment. With the adjustments the Central Government Commissioner wants to take the potential financial effects on the population (e.g. in case of the Road Traffic Ordinance) and entrepreneurs (e.g. in case of the Nuisance Ordinance) into account by phasing the adjustments timely. Therefore he also consults with the Social Advisory Council and with representatives of several sectors. The planning is to have all ordinances and decrees in order before July 1st, 2019.

Apart from a law deficit there is also question of enforcement deficits. That is why the police are training a number of employees as Special Police Officers (BAVPol). Potential expansion of the number of supervisors and potential Special Police Officers within the Public Entity is included in the restructuring of the public administration.

This does not imply that there is presently no attention for the enforcement. For instance, on October 4th, 2018 the Public Entity held an information meeting for the hospitality and supermarket sector on the requirements imposed by the Warenwet BES (Commodities (BES) Act) and indicated that they shall also be enforced.

The outsourcing of tasks to other official services is a good possibility to reduce the vulnerability of important administrations. The Belastingdienst Caribisch Nederland (Tax Office CN) expressed willingness to implement the collection and recovery duties for the Public Entity. The intention is to realise the cooperation at the latest per January 1st, 2020.

The National Office for Identity Data also expressed willingness to examine what possibilities are available to take over the back office duties for the benefit of the population administration (PIVA). An adequately organised population administration is an administration with an unmistakable pivotal function both for the electoral register as for many official services that use the administration. At the moment the deeds of the civil registry are being digitalised. A part is in a bad condition; with budget from the Ministry of Education, Culture and Science and the Ministry of the Interior and Kingdom Relations these deeds are being restored by the National Archive. Also, in cooperation between the Public Entity and the Ministry of the Interior and Kingdom Relations, work is being conducted on updating the current population administration so that there is sufficient clarity to determine the number of residents entitled to vote.

The cadastre also has an important function. Providing for the cadastre function of the Public Entities by the Netherlands Land Registry is regulated in the legislative proposal Kadasterwet BES (Cadastere (BES) Act) that was sent to the Council of State for an opinion on June 15th, 2018.

An agency³ of the Ministry of General Affairs developed a new format for the aged website of the Public Entity and shall maintain this technically. In October 2018 a number of employees of the Public Entity was trained as web master. In the time to come they will place the substantive information in the new sections. After that the website will be up to date.

Elections

I committed to Your House of Representatives to address the subject of island elections in more detail. Together we opted, not lightly, for this administrative intervention. In the reaction of the Government to the report of the Management Committee of February 5th, 2018⁴ the Government concludes that the situation of disorder could no longer be permitted in the interest of the population and that an administrative intervention on the basis of a Tijdelijke wet taakverwaarlozing Sint Eustatius (Temporary Dereliction of Duty (St. Eustatius) Act) was, despite the exceptional nature, necessary and inevitable.

In its reaction the Government also indicated that the proposed intervention must imply that the administration of the island is brought in order and the conditions for a sustainable improvement are met. To this end, the finances and the public administration of St. Eustatius will in any case need to be brought in order. The Committee expected that this transformation requires at least two years. The Government is of the opinion that this kind of intervention cannot continue longer than necessary and could, at the time, not exclude that the required transformation would require at least two years. As I noted in the first progress report, bringing all domains of the local public administration in order is a considerable task for which the time required shall at least amount to two years. In the debate with Your House of Representatives about the Tijdelijke wet taakverwaarlozing (Temporary Dereliction of Duty Act)⁵ I exchanged with you that my ambition is to recover the democracy on St. Eustatius as soon as realistically possible with an administration that is able to properly look after the interest of its residents. In my opinion, the intervention continues as long as necessary and as short as possible.

Amongst political groups on St. Eustatius the wish exists to hold elections as soon as possible. In particular now because the dereliction appears to be more serious than expected, it is not realistic that the temporary administration would already accomplish these required sustainable improvements within a year. Nor should we fail to appreciate that the population is mostly requesting improvements in the social and physical domains but that a sustainable improvement – also in those domains – finds its foundation in the administrative domain. Strengthening the administrative and public structure and bringing the financial function in order is conditional but also the most relentless.

This does not alter the fact that it is important to offer perspective. At the moment I do, however, feel that it is important to establish a number of criteria and a reference date for the assessment along the lines of the reaction of the Government of February 5th, 2018. On September 1st, 2019 I would like to assess the state of affairs on the basis of the progress in respect of the following criteria:

- the population administration is up to date (insight into the status of residents: whether or not entitled to vote);

³ Public and Communication Service

⁴ Parliamentary Papers II 34 877 no. D

⁵ Parliamentary Papers II 34 877, no. 6

- administrations like the tax administration and the cadastre function are managed in a high-quality manner;
- incorrect and aged ordinance, e.g. the subsidy ordinance, are adjusted;
- the public administration is restructured and provided with the correct procedures and work instructions;
- the policy frameworks within which the duties of the Public Entity are performed are described;
- the supervision and enforcement instruments in respect of these duties are in order;
- the public administration is equipped to perform the supervision and the enforcement;
- a multiannual training programme for civil servants and politicians is implemented;
- the financial processes are digitalised and centralised;
- the organisation of the planning and control cycle takes place in accordance with the Wet Fin BES (the FinBES Act);
- the actions from the Plan of Approach Financial Management are ready;
- the audit office function is established.

In the third progress report I shall address the state of affairs with regard to the progress further and operationalise the criteria further.

If on September 1st, 2019 such progress can be recorded in respect of the said criteria and a situation has thus been created that it can be expected that the administration of the Public Entity can fulfil its duties sustainably then it can be decided to hold elections.

From Your House of Representatives suggestions were also made for temporary variants for the recovery of the regular democratic election and appointment procedures within the framework of a transitional period. I include these kinds of variants in my considerations. Here also it applies that an assessment must take place to what degree the said criteria are met so that in this kind of intermediate form the administrative duties can be performed properly. In this respect I note that this shall require adjustment of the Tijdelijke wet taakverwaarlozing Sint Eustatius (Temporary Dereliction of Duty (St. Eustatius) Act).

The social domain

Poverty reduction is also decisive for the development of St. Eustatius. To a certain degree poverty has become transferrable from generation to generation and this process must come to a standstill. With the measures from the aforementioned reaction of the Government with regard to the social minimum, the ultimate establishment of standard amounts for the social safety net and the yet to be concluded administrative agreements between the Government and the Public Entities, a turning point in the approach is envisioned.

One spearhead is the *water supply*. The regular rationing of tap water compels people to purchase expensive bottled water and leads to hoarding of tap water. The periods of drought result in reduction and failure of agricultural and horticultural harvests due to the lack of sufficient and well maintained water collection locations.

A first additional rainwater reservoir for the benefit of the agriculture and horticulture is being realised at the Solar Park. This can be used from the beginning of December 2018.

Due to the small scale the drinking water company cannot be cost-effective. The (gross) rates are much higher than in the European Netherlands: \$20 per cubic metres versus no less than €1 per cubic metre. To keep drinking water affordable, the Ministry of Infrastructure and Water Management makes a subsidy available as a result of which the net rate amounts to \$8 per cubic metre. Not all residents can afford a connection (connection percentage 40-60) due to the monthly expenses of approximately \$30 per month. The Public Entity and the Ministry of Infrastructure and Water

Management and the Ministry for the Interior and Kingdom Relations will examine the drinking water situation further, including the state of the transport pipeline and the need for expansion of water collection locations. After hurricanes Irma and Maria the drinking water production had come to a halt for some time. For solutions to this specific issue resources are available from the reconstruction funds. The structural solution of the (drinking) water problem on the island is a subject of discussion with the Minister of Infrastructure and Water Management. The solutions to be selected must be financially feasible and must be in line with the local circumstances.

To support the water and electricity company STUCO a nomination shall be made from the Netherlands for a member of the Supervisory Board with expertise in drinking water.

The Central Government Commissioner links an improved drainage system to the road and erosion projects in a way the drained water is simultaneously preserved.

Through mediation of the Social Alliance authorities and/or experts, who are involved in innovation in the area of water, will be linked to the Public Entity.

The condition of *social housing* is worrisome; improvement may contribute to prevention of poverty. The St. Eustatius Housing Foundation (SHF), which manages about 100 houses, has, despite an annual allowance from the Public Entity, insufficient financial resources to maintain the housing and to realise new developments. The SHF is also facing a lack of expertise to manage the houses adequately (financially) and the SHF is dealing with the effects of the actions (omissions) of previous managers, as a result of which, inter alia, situations were created where people occupy social housing with a level of income that is too high compared to the rent. Due to the income level of many tenants, the SHF cannot ask a realistic rent.

Recently, the Dutch housing corporation Woonlinie and the Public Entity have jointly submitted a proposal. At the moment discussions are held with the parties concerned. I expect to inform you of this in the next progress report

Combatting poverty is also one of the components of the plan *Integral Approach Statia 2018-2019*, which was realised in a short period of time and was adopted by the Central Government Commissioner on August 24th, 2018 with a total budget over 2018 and 2019 of \$2,179,000. Apart from combatting poverty, the plan also covers activities within the themes sport and exercise, childcare and labour participation. The fifth theme, social housing, supports the four other themes where the maintenance costs were also included in the budget. The integral approach is in line with the aim to enable the administration of the Public Entity to fulfil its duties better.

With consent of the Central Government Commissioner the Ministry of Health, Welfare and Sport made the choice to bundle activities and knowledge more with the healthcare provider or with the Public Entity. The division of duties stipulated on October 10th, 2010 is no longer necessarily decisive. For instance, effective January 1st, 2019 facilities like domestic assistance, customised transport, housing adjustments and provision of meals will be transferred from the Community Care Centre to the St. Eustatius Health Care Foundation.

The Central Government Commissioner has also started discussions with the Ministry of Education, Culture and Science about the performance of duties of the Public Entity in the area of education. It particularly regards the educational housing duty, where the building of schools, the relevant maintenance and the financing must be examined integrally.

Domestic violence is a persistent issue on the island. In 2017 the Public Entity concluded an administrative agreement *Aanpak huiselijk geweld en kindermishandeling (Approach of domestic violence and child abuse)* with the Ministry of Health, Welfare and Sport. The activities were continued in

conformity with the arrangements stipulated in it. In 2017 the Public Entity appointed a policy coordinator and in the summer of 2018 an awareness and information campaign was launched. A website was developed <https://safestatiaportal.com> as well as a Facebook page Dare2Care – Stop Domestic Violence on Statia. Billboards and posters were placed at visible locations. In 2019 the possibilities of setting up a hotline will be explored in cooperation with the Ministry of Justice and Security and investments will be made in strengthening of the chain and the development of cooperation protocols.

St. Eustatius has two consultation bodies for domestic violence and children's rights, the Multidisciplinary Consultation Statia (MDO) and the Safety Net Consultation consisting of all organisations in the healthcare and security chain, including the schools. Through case consultation it is aimed to intensify the information and signalling function in order for the correct authority to act, intervene and handle faster.

The legislative proposal to expand the Claim Funds Violent Crimes to the Caribbean Netherlands will also apply to St. Eustatius. The legislative proposal is with Your House of Representatives for deliberation. Although it is not clear yet when the Act will go into effect, the preparations are in full swing. For instance, in December 2018 the paid and volunteer employees of the Victim Support Agency will be trained to assist in filing an application.

The physical domain

Reconstruction

The first agreement with a contractor for the repair of houses was signed on November 24th, 2017 by the former Island Governor. A little over a year later 138 houses will, as it seems, have been repaired. About 30 contractors of the island were involved in this. It is expected that around the turn of the year 2018-2019 the repair activities on the tower of the former church, the six public cemeteries, the ruins of the Synagogue path and the fence of the administration building will be completed. The materials for the farmers and fishermen are most likely distributed in December 2018, the previously mentioned additional rainwater reservoir at the Solar Park will be ready at the end of November – the beginning of December 2018. These reconstruction activities are carried out by the Public Entity. That also applies to the construction of roads in the Cherry Tree district, which is now unpaved.

Under the direction of the National Real Estate Office schools and RCN buildings are also repaired. It is expected that these repair activities will be completed in 2018.

In the context of the reconstruction the manager of the National Park, STENAPA, was commissioned to, for the benefit of the Public Entity, provide for the repair of the coral, buoy and mooring systems, the fence of the botanical garden and the wall behind its own office. The reforestation through cultivation and planting, the recovery of the breeding of sea turtles and of the iguana population are also in the hands of STENAPA. The foundation started most of the projects in September and October 2018. Stenapa reports periodically to the Central Government Commissioner about the progress and the financial exhaustion of these reconstruction resources.

Reconstruction resources are also available for the solution of the erosion issues, the repair of the seaport and the waste management. The progress hereof is described in this section.

Roads and wrecks

The planning for the construction and repair of *roads* was concluded on September 20th, 2018 after consultation of the Social Advisory Council about the best sequence. The first call for tenders took place on October 5, 2018 for the benefit of the construction of roads in the Cherry Tree district, which is presently unpaved. On November 19th the project will actually start. It is expected that it will be ready in July 2019. The project is part of the first phase in which also the renovation of two other roads is foreseen.

The second phase covers the renovation of two other roads, including the main route from the seaport to the airport. The repair of this road shall in any case start after the repair of the erosion damages on the coastline, the seaport and the cliff. This prevents the said repair activities from damaging a new road due to the use of heavy equipment and materials.

The plan foresees the simultaneous installation of various underground cables and pipes as well as improved drainage and rainwater drainage, where possible combined with the construction of public water reservoirs. The European Union made, within the framework of the 11th European Development Fund (EDF), a budget available of €2.45 million for a part of the underground cabling and electricity facilities. It is expected that the first three phases of it are ready in December 2018.

The plan offers a view of a potential phase three and notes that, otherwise, approximately, a third of the road network is unpaved.

By way of structure improving measure for the benefit of future administrations, a procurement policy is formulated in the course of which the standard *Conditions of Contract for Small Works* of the World Bank are used. Thus both local, regional and international market parties can set to work, including companies that offer services other than infrastructural services.

The disposal of the first tranche of *car wrecks* was delayed due to an unforeseen period of heavy sea conditions and setbacks arranging the vessel.. It is expected that the wrecks will be disposed off in November 2018. The call for tenders for the next tranche is foreseen in January 2019. The project continues up to the beginning of the second quarter of 2019. The structural disposal of car wrecks is included in the waste management plan.

Seaport, airport and erosion

With financial resources from the 10th EDF and of the Ministry of Infrastructure and Water Management a project was started to literally embank the *erosion at the seaport*. This also expands the storage location for containers. The tendering procedure was concluded in the Summer of 2018; it is expected that the project shall be concluded in the Summer of 2019.

The further repair and potential expansion of the seaport requires an integral approach with the measures to curb the erosion of the coastline in Lower Town. The approach of this erosion must be seen in conjunction: the coastline in Lower Town, the cliff and the seaside of the take-off and landing runway, combined with the approach of the roads and the drainage and collection of rainwater. Efficiency and synergy advantages can be obtained with an integrated solution.

The Central Government Commissioner indicated that the erosion measures near the seaport and the coastline must offer the possibility for the potential construction of a marina and a boulevard in order that the design fits into the coastline plan presented by him. This plan aims to use the measures to prevent the erosion of the coastline as support for the strengthening of the economic activities in Lower Town and simultaneously securing the cultural heritage there and in the Northern Hills. The latter aspect can then, in turn, result in even more activities. Also in the area of the conservation of cultural heritage the Social Alliance offered its mediation.

The integral approach does not mean that there is only one project. There are, for instance, the preparatory activities that started before the tendering procedure of the stabilisation of the cliff and Fort Oranje and under it (hotels). The activities shall require about a year. Because of the acute threat for Fort Oranje and a hotel – tropical rains are hollowing the cascades – the Public Entity started the imposition of emergency measures. Apart from the

drainage issue, the collection of rainwater is also included. To ensure that the measures are not illusory, the Central Government Commissioner ordered that the already existing regulations with regard to loose roaming cattle are enforced stricter there.

The planning for a new airport terminal and control tower was concluded in October 2018. Rijkswaterstaat is working on planning the tendering procedure, including the erosion measures near the take-off and landing strip, so that all activities can be completed in the first half of 2020. In 2016 the take-off and landing strip, the taxiways and the platform, including the lighting installations, have already been renovated. The airport was also provided with new security fencing.

In addition, the Central Government Commissioner commissioned, after an inspection by the Living Environment and Transport Inspectorate (ILT), to take all measures in the airport management that the ILT has deemed necessary for years in order to guarantee the security in this area. The plan for this was completed on August 15th, 2018 and sent to ILT. On September 13th, 2018 the Inspectorate indicated that a number of measures still require further elaboration and tighter attention. The first training sessions for the employees have already started.

Waste management

After tendering the previous administration transferred the waste management to a professional waste company. In a short period of time this company realised good results with the management of the dumpsite and a number of recycling activities.

The company and the Public Entity jointly organised a clean-up action throughout the island in the week of September 3th, 2018 within the framework of the safety in the hurricane season and as an awareness campaign. Due to the enthusiasm of the population a second action took place in the week of October 8th, 2018.

A waste management plan for 2019 is in the pipeline with the guiding principle, in any case, to prevent dumping (step one of the ladder of Lansink⁶). A reconstruction budget of no less than €1 million is made available by the Ministry of Infrastructure and Water Management for the implementation of the plan. The implementation is foreseen from January 1st, 2019. In addition, a project is set up to clean up the illegal dumpsites, which shall also include the required supervision to avoid illegal dumping.

On October 30th, 2016 the updated versions of the Waste Substances Ordinance and the Waste Levy Ordinance were established. They were published on November 2nd, 2018.

The World Bank was commissioned by the Government to present solutions for sufficient waste management on St. Maarten, Saint Martin, Saba and St. Eustatius. A regional approach can be a better solution for the small scale issues of the individual islands.

The economic structure

Complete implementation of the coastline plan results in, at least, 50 structural job opportunities, both for employees and for entrepreneurs. Certainly the latter possibility always makes it attractive for Statians who were trained elsewhere to return to their island.

Along the road to the Botanical Garden an investor wants to build a hotel and a number of villas (Guyeau Estate). The construction and operation provide for an economic impulse, including job opportunities, on the island.

The plan Integral Approach Statia 2018-2019 has the side effect that a number of job opportunities are preserved and, in some instances, are perhaps expanded (childcare). All construction and infrastructural projects equally provide for job opportunities, although they are, by definition, temporary. The

⁶ The ladder of Lansink shows, in six steps, the development of waste management: dumping, burning, converting into energy, recycling, reusing and prevention.

Central Government Commissioner indicated that there are certainly possibilities on the island to lift the employment to a higher level, however that this requires more than incidental impulses. The possibilities of a (commercial) re-launch of the project *Made in Statia*, which discontinued mid-2019, were examined. There is room for preservation of this agricultural company, both physically and in terms of sales market. There is also a need to stimulate more cultivation of vegetables in order to realise lower prices for healthy food. Exploratory discussions are held in order to examine the possibilities of placing the agricultural sector under a cooperative alliance.

More in general, structural budgetary room is available for maintenance of the infrastructure, buildings and facilities, not just important to prevent new neglect, but also to increase the job opportunities. A start was made with this approach by the Ministry of Infrastructure and Water Management and the Ministry of Health, Welfare and Sport. I am willing to look for possibilities within the Government to expand this development further, also against the background of the recent policy change to, in case of investments, also provide for the management and maintenance deriving from these investments. This development is also important to offer better conditions to future administrations of the Public Entity.

At the beginning of 2018, apart from Winair, another airline (SXM Airways) became active with flights between St. Maarten, Saba and St. Eustatius, with which the connectivity between the islands has increased. Thus far this did not lead to different pricing (yet).

Public order and safety

At the request of the Central Government Commissioner, in the spring of 2018 an employee of the Urban Search And Rescue Team (USAR.NL) conducted an exploratory survey of the state of the crisis and disaster management and the need for improvement. On the basis thereof the Ministry of Defence will provide assistance between September 1st and December 1st, 2018. Meanwhile, the main plans have been updated and from December 1st this also applies to the constituent plans (in cooperation with other emergency response services). The total management, including a schedule for training and exercises and the description of the operational structure, is then from January 1st, 2019 updated up to 2021.

With the budgets for crisis and disaster management made available by the Ministry of Justice and Security over a number of years (that were not used) a start was made, with consent of the Ministry, with the renovation and organisation of an Emergency Operations Centre (EOC). The EOC is expected to be operational before January 1st, 2019.

No considerable problems occur in the area of public order. The island administrators of the Public Entities did request the Minister of Justice and Security and the Minister of the Interior and Kingdom Relations on October 16th, 2017 for the allocation of a number of authorities to enforce the public order more effectively. They refer to, inter alia, the imposition of an area and group prohibition, a temporary domestic exclusion order (in case of domestic violence), an administrative fine in the hospitality sector in case of a violation of the permit conditions, the updating of the legislation with regard to the care for people with psychiatric disorders and forced care and a BES variant of the Wet BIBOB (BIBOB Act). In the Spring of 2018 the deputy Central Government Commissioner was present during a meeting on Bonaire where the islands and employees of both Ministries consulted on the (im)possibilities. The Public Entities, the two Ministries and the Ministry of Health, Welfare and Sport work together to give more concrete form to and to elaborate the requests.

The Ministry of Justice and Security was commissioned, within the framework of the political reform in 2010, to realise detention capacity on the leeward islands. Ever since work has been undertaken to realise detention capacity on St. Eustatius in the form of twelve spaces in 8 cells, next to the police station. The project is in the phase of the zoning plan change. The proposed change in designated use was published by the previous Executive Council

on January 29th , 2018. Objections were submitted. At the request of the Central Government Commissioner the parties concerned, including the Correctional Institutions Service, shall provide a further explanation and answer questions of the population during a town hall meeting. On the basis thereof the Central Government Commissioner shall reach a decision.

In conclusion

I am pleased that the Central Government Commissioner, through the appointment hours, town hall meetings, Facebook, the frequent visits to events and the regular contact with the Social Advisory Council and the Cooperative Platform, has established the connection with the population. The information lines between the population and the administration are consequently mutually short.

In 9 months the Central Government Commissioner has properly analysed the degree of neglect. Usually in cooperation with the Dutch Ministries, the plans in the physical domain are at an advanced stage and the first results are visible and noticeable. The reconstruction activities were dealt with in an expeditious manner.

Strengthening of the administrative, social and economic structure requires our joint attention and efforts. The implementation of plans and intentions on these domains require, by definition, a long-term effort and time and patience.

The Government and the Central Government Commissioner feel strongly committed to the task of converting the neglect on St. Eustatius into a situation where future local administrations can properly perform their function again. I am confident that our joint approach means that we can inform Your House of Representatives in such a manner of the state of affairs in September 2019 that the perspective of recovery of the democratic election and appointment procedures can be given form and shape.

Drive and effectiveness are required, however I emphasise that we are guided by the principle that the administrative intervention should continue as short as possible, however as long as required.

Yours sincerely,
The State Secretary of the Interior and Kingdom Relations,

Drs R.W. Knops