Written questions member's Islandcouncil for the Executive Council/ Government Commissioners. (art.159, lid 1 WolBES/ art. 46 RvO Islandcouncil)

Issue : Ferry Service

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Sender : Nicolaas Sneek
Date answer : (within 15 days)

Responsible Com./Gov.Com. : Responsible editor :

The debate in the Island Council on November 19th on the ferry service, which will commence shortly and new information provided in this meeting left me with several unanswered questions.

QUESTIONS:

- I understand that there were seven companies that took part in the bidding process. Can the names of these companies be provided to the island council?
 The names of these companies cannot be provided due to the non-disclosure agreement and confidentiality of the tender procedure.
- 2. On what date was decided that the company Blues & Blues would be granted the contract? On September 7th, 2021, it has been decided to grant the contract to Blues and Blues Ltd.
- 3. With which entity (or entities) has Blues & Blues signed the ferry service contract and on what date?

 Blues and Blues Ltd. has signed the ferry service contract with the public entity of St. Eustatius
 - and the public entity of Saba on November 28th, 2021.
- 4. Was Blues & Blues already the owner of the 150 pax ferry boat before the signing of the contract and was this part of their proposal or did they purchase the vessel after the signing?

 Yes, Blues and Blues Ltd. was already the owner of the M/V Makana (the 150 pax ferry vessel) before the signing of the contract. The M/V Makana was specifically part of their proposal.
- 5. Is Blues & Blues according to the contract allowed to use a smaller vessel i.e., a vessel that carries 50 pax, in the event that the number of passengers will be less than expected? According to the contract the ferry service shall be provided with passenger ferry vessel Makana, a 150-passenger fast ferry. The ferry Niki-V, a 62-passenger fast ferry, will be the back-up vessel. Based on the Request for proposal (RFP), the ferry service must be provided with a minimum capacity of 50 passengers.
- 6. Why has been opted for a special allowance to the public entity, instead of that the national government enters into a PSO (openbaar vervoer) agreement directly with Blues & Blues which is the way it is done in The Netherlands?
 - This ferry service is a pilot project for 2 years. Normally, a PSO agreement in the Netherlands is made for a longer period of time. In this case, there was a specific budget available for two years and not a structural budget. Moreover, via this construction the public entities could form the PSO to their wishes. For these reasons there has been opted for this construction.

- 7. Is there one special allowance for Saba and Statia for the ferry service? Or receives each island its part? If so, how is the division and how will this work out?

 There is one special allowance for Saba and St. Eustatius for the ferry service.
- 8. How is the public entity using the special allowance of 2 million Euros to subsidize the ferry service? Is it been done by the way of a seat guarantee, and if so, how many seats are guaranteed and by who?

The special allowance of 2 million Euros is divided as follows:

- 1.8 million Euros as subsidy for the ferry service (thus, may be paid to Blues and Blues Ltd.)
- 100,000 Euros for hiring external contractors with certain expertise (e.g. consultant and legal advisor)
- 100,000 Euros for the marketing of the route

The public entities grant the subsidy not based on seat guarantee, but based on fulfilling the minimal route requirements. In principle, Blues and Blues Ltd will receive a fixed fee of USD 225,000 per quarter (150,000 USD for the month of December 2021). The fees will be paid after approval of the reports (i.e. operational aspects, financial results, marketing, social return and client satisfactions) by the public entities. Payment can be fully or partially withheld if Blues and Blues Ltd. does not fully comply with the contract.

- 9. In the IC meeting of November 19th, it was explained that the research in the Hartman report was used to substantiate the need of the ferry service. This research however focused solely on air-connectivity between the Dutch Caribbean islands. Can it be explained how the information provided in this report also is applicable for a boat-ferry service? It is correct that the Hartman report focused on air connectivity between the Dutch Caribbean Islands. We were informed that the possibility of maritime connectivity was discussed during meetings with the expert group, Saba and St. Eustatius on June 20 and 21, 2019. My predecessor, Mike Franco, and representatives of Saba expressed during those meetings that a ferry service was considered to be a good additional mode of transportation. The representatives of Saba indicated that 50 percent of the passengers came to Saba by ferry. If it would be more affordable and more comfortable, they expected more passengers via sea.
- 10. The island council in its motion of February 4th specifically requested that the recommendations of the Hartman report be carried out. Why has the commissioner decided, to go for ferry services instead and hereby apparently ignoring the wish of the Island Council? The ferry service is not a substitute for air connectivity. The Ministry of Infrastructure and Water Management provided St. Eustatius and Saba with a special allowance on December 14, 2020, specifically for the pilot project ferry service. This happened before the request of the Island Council on February 4, 2021.

This does not mean that we stopped pressing for an improvement of air connectivity. Currently, the Directive of Transport is doing additional research into air connectivity in order to press our case for more air connectivity with the Dutch Ministries. It is expected that this research will be finished in the first quarter of 2022. This is in line with the roadmap that was presented in the advice on the motion of the Island Council of February 4, 2021. By means of this research, we hope to bring this problem quantitively to the attention of the Ministries. It is also important

that the urgency of this matter is brought to the attention on the political level to make sure that this topic will be on the agenda of the new Dutch cabinet.