

Implementation report Country Package Sint Maarten

Period: 1 July 2023 – 30 September 2023

Date: 19 October 2023

Status: final version

Implementation report Country Package Sint Maarten 2023 no.3

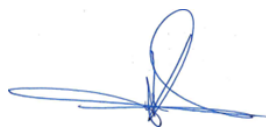
1. Introduction

Since the beginning of 2021, Sint Maarten and the Temporary Work Organisation (hereinafter: TWO) have been working on the implementation of a wide range of reforms as described in the country package Sint Maarten. These reforms intend to contribute to economic and social resilience of the country.

The themes and measures as laid down in the country package are periodically specified in an Implementation Agenda, with concrete steps and actions that need to be taken to realise the reforms. Next to that, Sint Maarten and the TWO periodically draft a report on the implementation of the country package (hereinafter: the Implementation Report). This report includes a joint vision on the progress of the agreements as laid down in the latest Implementation Agenda. At this moment, an Implementation Agenda and Report is made every quarter.





This third Implementation Report of 2023 describes the progress of the country package Sint Maarten over the period 1 July 2023 up to and including 30 September 2023. Specifically, the next section provides an update on the progress of individual activities and results that were planned in the Implementation Agenda for the third quarter of 2023. A colour code summarises the progress of each activity. The last explanatory column of the table specifies the particularities, points of attention or reasons for potential delays.

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S.E. Jacobs BA
Prime Minister of Sint Maarten


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A.C. van Huffelen
*State Secretary of the Interior and
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2. Progress Country Package Sint Maarten on activity level

This section reports on the progress of the implementation agenda on activity level during the period 1 July 2023 up to and including 30 September 2023. A colour code summarises the progress of each activity. The meaning of the colour codes is explained in the table below.

	The activity is implemented in line with the agreed planning and the quality of the deliverables is good. When intended results cannot be delivered in time, there is a good reason for the delay and it is expected that the activity can still be finished within a reasonable timeframe.
	The progress of the activity and/or the quality of the deliverables are not in line with expectations. There is a risk that the objective of the measure or activity cannot be reached (in time). Progress and quality will be monitored closely and control measures will be taken where needed.
	The progress and/or quality of the deliverables fall short of expectations in a structural manner. Control measures have been taken to mitigate the risks related to the lagging progress and insufficient quality, but these have not led to any improvements yet. There is a considerable risk that the objectives of this and potentially other reform measures will not be realised.
	The grey colour indicates that no activities were planned for this reporting period in the implementation agenda, so there is no progress to report on.

Theme A: Financial management

Measure description		Activity description		Intended results	Deadline	Status	Explanation
A.1	Based on existing and/or additional studies, it will be determined how the financial pillar of the organisation can be reinforced. Topics to be included are financial and policy control (both centrally and within the departments), the audit function, and the position of the Council of Advice and the General Audit Chamber. Based on proposals, decision making and implementation will take place.	A.1.1	Study into existing financial work processes including the processes procure to pay and order to cash, and an inventory of the relevant systems used. Including fit/gap analysis for A.1.2.	12. The results of the fit/gap analysis, the impact analysis, the prepared project initiation document and the administrative decision-making are formalised by means of an update of the previously drawn up plan of approach .	30 September 2023		During the drafting of this report, the update of the plan of approach was still work in progress, but will be finished within several weeks.
				14. Go live basic design new financial system.	1 January 2024		The procurement process is near completion, but the whole process took longer than expected. The exact planning and the feasibility of the go live date has yet to be determined together with the chosen IT implementation partners, but probably will result in a later date in 2024.
		A.1.3	Detailed research by the Netherlands together with Sint Maarten of the practice of the budgetary process (in particular the preparation and drawing up of the budget for the coming year and implementation of the current year (budget amendments): budgeting process, budgeting rules, multiyear estimates (ordinary service and capital service), tasks/responsibilities/ authorities and (most) relevant actors.	8. Completed implementation process of the quick wins to improve the budgeting process.	1 November 2023		The project runs slower than expected, mainly because of capacity issues, which could lead to delay. Together with the working group solutions are being sought to meet the intended deadline.
				9. Tender completed in-depth research into the design of policy-based budgeting.	1 September 2023		The tender is completed.
		A.1.5	Updating the balance sheet by cleaning up account receivables, account payables and assets, among others.	4. Ensuring that the results are sustainable by making agreements, drawing up process descriptions and providing instructions, so that new 'contamination' is prevented as much as possible.	30 September 2023		The completion of this activity takes longer than expected due to new contamination of the financial data and technical difficulties. These challenges have been resolved, so further steps can be taken towards a fundamental clean up of the accounts payable and receivable and the drafting of the process descriptions and providing instructions.
		A.1.6	Modify legal framework as basis to strengthen financial pillar.	6. Bottleneck analysis of financial regulations completed.	30 November 2023		Runs as intended.
		A.1.7	Independent advice on shortening the processing period of delivering and reviewing the financial statement.	5. Internal control program framework drawn up.	30 September 2023		Due to the challenges mentioned under activity A.1.5.4 there was insufficient capacity available for the completion of this activity. The analysis has been done, but the framework still has to be drafted.
				6. Financial Legitimacy Framework drawn up.	30 November 2023		Runs as intended.

A.1	cont.	A.1.8	Financial Management Roadmap.	4. Establish plan of approach for implementation of quick wins Procure to Pay, Order to Cash and Payroll financial work processes.	1 July 2023		Completed.
		A.1.9	Implementation quick wins improving financial management	1. A centralized reception of invoices.	1 January 2024		Runs as intended.
				2. Improving the connection between Decade and Gefis.	1 January 2024		This activity overlaps and possibly conflicts with the activities under A.1.1.14 and A.1.5.4. This activity is therefore on hold to secure better alignment.
				3. Improving the Payroll registration	1 January 2024		Runs as intended.
A.2	Based on existing and/or additional studies, whether and how the use of reliable statistical information and data for policy development and decision making can be reinforced will be determined. Based on proposals, decision making and implementation will take place.	A.2.1	Performing a peer review at the Department of Statistics (STAT)	8. Plan of approach adopted.	1 July 2023		The plan has been presented to the SG's; the advice is in process and should arrive at the CoM by the beginning of October, once all signatures are received. No changes have been made to the original Plan of Approach after all.
		A.2.2	Implementation of Department of Statistics Plan of Approach	1. action #5 plan of approach : improving legal expertise within the Department of Statistics.	1 July 2024		It has been determined that more legal expertise is needed; this is part of the Plan of approach. Once the Council of Ministers approves, a legal consultant can be hired. The deadline has been adjusted in the UA Q4.
				4. action #22 plan of approach : Making data available to researchers by the Department of Statistics - preparation of the Open Data tool.	31 December 2023		The implementation of the CBS Open Data Tool is ongoing, and part of the Plan of Approach. The tool should be put into use before the end of the year.
				5. Action #10 of plan of approach : Governmental Central IT Department should make sure that STATs data confidentiality, data protection and continuity of statistical processes are met	31 October 2023		Cooperation with the central IT department to ensure that STAT's activities align with the central policy has been running quite smoothly, since the presentation of the Plan of Approach to the SGs.
				6. Action #12 plan of approach : Publish a Quality Declaration and related documentation	30 September 2023		The publication that will contribute to STAT's transparency has been delayed due to matters related to A.2.2.5. In the UA the date has been shifted to 1 November 2023. STAT will review the quality declarations from other Dutch Statistical offices and produce a similar declaration. Additionally, all project leaders have been given a deadline of December 1 to produce the process description of each of STAT's projects.

A.2	cont.			7. Actions 16 and 19 plan of approach : Establish MoU to improve cooperation on the business register and civil registry.	31 December 2023		STAT is currently in the process of hiring two new staff members. Once these are appointed, there will be enough people to meet with other departments in a structural manner. There is a lot of cooperation now, but without MOU's. These MOU's will be developed as part of the legislative improvements.
				8. Action #30 plan of approach : STAT will introduce a standard for timeliness for their publications	31 December 2023		A standard has been introduced. All reports, except the Tourism expenditure and Satisfaction Report, is due one month after the closing of the quarter. The department has had difficulties with publishing reports as the website was not operational. IT has now solved this issue and is working better with STAT.
A.3	Based on existing and/or additional studies, it will be determined whether the subsidy policy, the implementation and the existing subsidy relationships meet the requirements: legality, legitimacy, effectiveness and efficiency. On the basis of the outcomes, adjustments will be made to policy and/or implementation, and unlawfully awarded subsidies will be reclaimed taking account of the legal frameworks and legal principles (if proportional).	A.3.2	This measure is partly included in other activities and will be taken up further at a later date.				
A.4	Based on existing and/or additional studies, it will be determined how the procurement function can be reinforced, so that the government can perform the procurement of goods and services in the most efficient and effective manner possible. Centralisation will be considered. Based on proposals, decision making and implementation will take place.	A.4.0	This measure is partly included in other activities and will be taken up further at a later date.				
A.5	A Disaster Risk Management policy including a Disaster Risk Financing strategy will be developed and implemented.	A.5.1	Develop Disaster Risk Management policy.	7. Financial Stability Plan adopted	1 July 2023		Due to internal discussions on how to best proceed with this activity, the financial stability plan has not yet been adopted. National round-table meetings were held with stakeholders in August.

Theme B: Costs and effectiveness in the public sector

Measure description		Activity description		Intended results	Deadline	Status	Explanation
B.1	The countries are responsible for the continuity of vital processes, including under all circumstances: electricity, oil supply, internet and data services, drinking water supply, flight and aircraft handling, shipping handling, payment transactions, the emergency services and communication between emergency services and medical institutions.	B.1.1	Continuous.				
B.2	Based on a complete detailed review of the (semi) public enterprises and government entities regarding the legitimacy of public shareholdership (do they serve the public interests/objectives?), effectiveness (do they achieve the targets set?) and efficiency, proposals will be developed and implemented. The objective is to reinforce governance and operational capacity, in order to prevent (future) losses and as a consequence risks for the budget of Sint Maarten. It is not an objective to arrive at a decision to dispose of or (partially) sell off (semi) public enterprises and government entities that serve a defined public interest.	B.2.2	Performing analysis of government public limited companies	7. Plan of Approach concerning implementation of recommendations adopted.	30 September 2023		Runs largely as intended. During the drafting of this report two plans of approach regarding the design of the participation policy and the improvements in the execution of the LNT have been sent to CoM for adoption. Other intended plans of approach will be discussed in a later phase.
B.3	Based on existing and/or additional studies, the countries will work together towards reinforcing the aviation system at Kingdom level. This could involve close cooperation between organisations and the organisation of uniform work processes in accordance with international safety requirements, while aiming for efficiency and cost reduction.	B.3.1	Agreements reached within the Aviation steering group will be decisive in the implementation of this measure. No separate arrangements are foreseen in the implementation agenda.				

B.4	Based on an integrated detailed review, proposals will be developed and implemented with a view to improving the quality, effectiveness and implementation capacity of the government organisation, which will also include the effectiveness of the Ministerial staffs.	B.4.2	Risk-focused integrated detailed review(s)	3. plan of approach for integrated detailed investigations adopted.	1 July 2023		The plan of approach has been adopted in June.	
				4. Analysis started.	1 July 2023		With some delay (due to finding the right person to execute this analysis), it will start in October.	
		B.4.3	Strengthening legislative functions		9. Determine (other) next steps recommendations report	1 July 2023		Next steps have been determined: in the UA Q4 several smaller actions are included with their own deadlines.
					10. Publication of the report.	1 July 2023		The Council of Ministers approved the report in July. A press release will be written by JZ&W and publication is expected before the end of September.
					11. Drafting plan of approach for access to digital information systems ready.	15 July 2023		The dates for results 11-13 have been adjusted in the UA, as they were not feasible, due to JZ&W not having the capacity to work on it. Priority will now be given to look for support in the form of a legal project manager to address the recommendations.
					12. Drafting plan of approach for the publication of legislation.	15 July 2023		See B.4.3.11
					13. Drafting plan of approach for extra capacity in other to consolidate older legislation (before 2019).	1 August 2023		See B.4.3.11
B.5	Based on a study into employment conditions and fringe benefits (including overtime pay, leave settlements, special remuneration and allowances, travel and travel expenses, etc.) proposals will be developed and implemented for possible retrenchment measures.	B.5.3	In addition to the study comparing employment conditions and fringe benefits, a benchmark study is executed to compare the employment conditions from the semi (public) sector to the private sector conditions.	7. Policy response adopted administratively.	1 July 2023		The report has been delivered. Finalisation is currently being coordinated.	
				8. To be determined	To be determined			
B.6	In the framework of optimum staff deployment, the staff formation, job occupation and actual presence and deployability of employees of government and government organisations will be examined. If staff wrongfully receive wage, depending on the situation, measures will be taken (e.g. halting wage, dismissal process).	B.6.2	An employee satisfaction survey and exit survey will be performed within the framework of capacity building and retention.	8. Organising interpretation sessions and formulating recommendations based on the report(s) of the MTO and the exit survey. The project team submits the recommendations to the Council of Ministers for decision-making.	31 July 2023		After the general feedback sessions for employees, the specific interpretation sessions have taken place in June with the B8/9 expert. These sessions have led to recommendations, that the committed civil servants have presented to the PM, and will present to the CoM soon.	
				9. Decision-making on recommendations distilled from the MTO reporting.	15 August 2023		Actions resulting from the MTO and exit survey will be included in the bigger B8/9 plan of approach; this plan has not been finalized yet, the deadline has been adjusted to 1 November 2023.	
B.7	An approach will be developed aimed at reducing and managing costs for hiring external experts.	B.7.0	Activities will be determined as soon as the results of the government's review are known. B.4					

B.8	Based on a detailed review of the HR function (policy, HR consultancy, administration and instruments), improvement proposals will be developed and implemented.	B.8.2	Implementing recommendations for identified items for improvement in the roadmap.	1. Plan of approach for implementation of items for improvement drawn up.	1 July 2023		The plan of approach will be an integral program plan in which the activities from measures B.4.2, B.5, B.6, B.8 and B.9 are bundled. A first draft has been written. This is however not ready for decision making yet, as a prioritization still needs to occur for project activities for the short to long term planning, to align it to available resources. Therefore the deadline in the UA Q4 has been adjusted to October 1 for drawing up the plan, and to November 1 for adopting the plan.
				2. Plan of approach for implementation of items for improvement adopted.	1 August 2023		See B.8.2.1.
B.9	Based on existing and/or additional studies, a strategic personnel policy will be developed. This will under all circumstances include: - a strategic staff plan in relation to the outcome of the detailed investigation under B.4; - introduction of a performance management system within the civil service; - limiting the political influence on staff issues.	B.9.2	Implementing recommendations for identified items for improvement in the roadmap.	1. Plan of approach for implementation of items for improvement completed.	1 July 2023		See B.8.2.1.
				2. Plan of approach for implementation of items for improvement adopted.	1 August 2023		See B.8.2.1.
B.10	Based on existing and/or additional studies, the needs and costs for housing will be identified and possibilities for cost reduction and improvements will be explored and, once identified, implemented. The aim is a cost reduction of 20% in 5 years (budget 2020 as reference point) and incorporated in the budget for 2025.	B.10.2	Implementation plan for cost reductions and improvements with regard to housing.	5. plan of approach adopted.	1 July 2023		The adoption of the plan of approach has been delayed. The internal approvals are taking longer than anticipated. The head of the leading department (FZ) has recently retired. Currently there is no acting counterpart for this project.
				B.10.3	Execution of Implementation plan for cost reductions and improvements with regard to housing.	1. Drafting of lists of government buildings (owned and rented)	1 July 2023
		2. Validation of lists of government buildings (owned and rented)	1 August 2023				This action is related to with B.10.3.1
B.11	In the framework of efficient government, the possibilities for a digital government environment and digital services will be investigated. Based on a study, proposals will be developed and implemented.	B.11.1	Implementation Plan of Approach Revamping the IT department	3. IT department function book published	1 August 2023		Even though the IT function book has been drawn up it is still in the approval process. The function book will be published after being fully approved.
				5. Delivery of the second progress report	1 July 2023		The progress report was delivered in timely manner.
				6. Output 6 plan of approach : Reviewing and setting up processes within the IT department.	1 July 2023		Part of the processes are finalised. The remaining actions will continue into next year.
				7. Delivery of the third progress report	1 October 2023		We expect the report on time.

B.11	cont.			8. Output 1 plan of approach: Hiring local IT staff and develop a continuous development program to IT staff	31 December 2023		The training budget that was provided by TWO has not been made accessible to the team. This hampers the development of the staff. First new staff members have been hired and hiring of new staff will continue in 2023 and 2024.		
				9. Output 4 plan of approach: A Total Cost of Ownership report	31 December 2023		The Total Cost of Ownership report has been delivered.		
				10. Output 5 plan of approach: Initializing Demand Supply chain through a RACI	31 December 2023		The RACI model was created to initialize the Demand and Supply chain. The coming work on Demand Supply will continue with the identified parties.		
				11. Output 7 plan of approach: Initializing compliance processes such as security, GDPR, accessibility of IT services.	31 December 2023		Incident management is in place and problem and change is operationalized in the coming months.		
B.14	Sint Maarten will satisfy the guidelines of the CFATF in respect of tackling fraud and money laundering. A plan of approach will be drawn up and implemented.	B.14.2	Implementation of National Risk Assessment (NRA).	3. Execution of phases 1 and 2.1 and 2.2 from plan of approach completed.	1 July 2023		Previous deadlines for this measure were too tight. A total NRA takes at least 2 years, where some countries even need much more. A first draft report is expected in September; a second version in December. Therefore the deadline for this measure has been adjusted to December 31 in the UA Q4.		
				6. Progress report first quarter 2023.	1 July 2023		Progress report has been received.		
				7. Progress report second quarter 2023.	1 July 2023		Progress report has been received.		
				8. Progress report third quarter 2023.	15 October 2023				
		B.14.3	Plan of approach concerning preparation for CFATF Mutual Evaluation	2. A combined plan of approach is being prepared for B.14.2.B (FIU registers) and B.14.3 (update legislation and informative sessions)	To be determined		A new plan was drawn up for the purchase/update of the FIU registers, but a reaction from St Maarten has not been received yet. The update of the legislation will be paid from the remaining amount of the contribution letter from 2021; a request hereto has not been received yet.		
		B.15	To improve the corporate governance of public enterprises, the 'protocol corporate governance (2020)' will be adopted (in law) and recommendations from the taskforce corporate governance (2020) will be implemented.	B.15.2	Execute implementation plan.	8. Progress report 7 submitted.	15 August 2023		Progress report has been received.
						9. Progress report 8 submitted.	15 November 2023		
10. Drafting of DOMA	1 November 2023						The ToR for an expert to draft the DOMA has been written, but no one has been selected yet. Therefore the DOMA will not be expected before 1 December 2023, and the deadline has been adjusted accordingly in the UA.		
B.15.3	Corporate governance	1. Development of a plan of approach to strengthen corporate governance	To be determined		This activity is connected to B.2.				

Theme C: Taxation

Measure description	Activity description	Intended results	Deadline	Status	Explanation
C.1 To increase revenue and to make the system more robust and simple, an integrated detailed investigation will be carried out of the financial system including income tax. The following proposals will be considered: - broadening the tax base, shifting from direct to indirect taxation and introduction of VAT/BTW at 12.5 percent in accordance with the proposals from the Fiscal Affairs Department (FAD) of the IMF or ABB, in accordance with the fiscal system for the Caribbean Netherlands. - measures aimed at substantial reduction of tax expenditure and contributions/transfers to third parties. - limiting administrative interference/discretionary authorities of both civil servants and administrators (in relation to deductible items, 'tax holidays'). On the basis of the detailed investigation and recommendations, proposals will be developed and implemented. Account will be taken of international rules from among others the OECD.	C.1.2 Create directions with regard to reforming the tax system based on the recommendations of the IMF and previous proposals from Sint Maarten.	3. Action plan based on the phase 1 decision memorandum is ready and adopted by CoM.	1 July 2023	Green	After stakeholder sessions the action plan was drafted for the approval of the Council of Ministers. This approval is expected before mid October and includes the approval for drafting the necessary legal products.
		4. Inventory of items from the phase 1 action plan that require calculation of budgetary consequences.	1 July 2023	Yellow	A delay has occurred on the side of TWO and the Netherlands Ministry of Finance in enlisting the services of the third party that should assist with drafting legal products. This will now be taken up urgently.
		5. Draft legislative products based on the phase 1 memo/ action plan are presented to JZ&W for vetting.	30 September 2023	Yellow	See previous point.
		6. Draft legislative products based on the phase 1 memo/ action plan on the agenda of Parliament.	Q4 2023	Grey	
	C.1.3 Cleaning, selecting and codifying notices (aanschrijvingen); overview has already been created.	1. Commissioned to third party to carry out selection and codification.	1 July 2023	Yellow	A delay has occurred on the side of TWO and the Netherlands Ministry of Finance in enlisting the services of the third party that should assist with drafting legal products. This will now be taken up urgently.
	C.1.4 Eliminate outdated legislation; advice from the Advisory Board on the necessary legislation has already been received	1. The assignment to draw up a further report and to amend legislation has been granted.	1 September 2023	Yellow	Outsourcing this task has so far been unsuccessful. Capacity in the Sint Maarten civil service is insufficient to execute this task in the short run. Sint Maarten, TWO and MinFin are working towards a solution.
	C.1.5 Revision General National Ordinance National Taxes (ALL)	1. ALL revision will be presented to Parliament for consideration	1 September 2023	Green	Submitting the draft law to CoM for presentation to Parliament is expected in the month of September. Decision making depends on the Parliament's agenda.
C.1.6 Introduction OECD-required legislation.	1. OECD-required legislative changes submitted for JZ&W advice.	Q4 2023	Grey		

C.4	On the basis of existing and/or additional studies, whether and how the Tax Office can be optimised and modernised, in such a way that tax collection can be carried out effectively and efficiently will be determined. Based on proposals, decision making and implementation will take place.	C.4.2	Purchase of an integrated IT solution for the tax office, including an online portal for the input of the means of taxation for wage tax, income tax and tax on business turnover.	8. An IT supplier is selected based on the tender of May 2023	1 August 2023		Demo's by prospective suppliers took place. Final decision is expected in October.
		C.4.3	Cleaning up of the CRIB files to repair incorrect name and address details, to correct register relationships between entities and to correct persons wrongfully set to active.				This point is now integrated with C.4.4
		C.4.4	Quick win measures: preparing and performing (a) clean-up of data files (see C.4.3), (b) process backlogs and (c) collect and claim late payments at an accelerated rate.	10. Quarter 2 progress report is available	1 July 2023		Report is available. First quick wins have been completed or are almost completed. Second set is ongoing; for instance archiving old debts for collections and looking at prepayments. Cleansing datafiles for taxes and collections will be completed in Q1 2024.
				11. Data entry stemming from eliminating backlog is finished.	1 August 2023		The data entry is up to date for the taxes which are paper based. There is a backlog for the online received taxes TOT/Wage Tax will be completed in October 2023. There still are objections to be handled. As long as the new ICT system is not yet implemented, the tax administration will need extra staff to avoid a new back log. The data entry back log for online tax returns will be completed in October 2023.
		C.4.5	Revision and reinforcement of the organisation and resources of the Tax Office (Transformation of the Tax Office)	2. Transformation of the Tax Office plan of approach adopted	1 July 2023		Result attained. The Plan of Approach is adopted by Sint Maarten and the Netherlands.
C.5	A tax scheme for the Netherlands and Sint Maarten will be agreed on, in line with minimum Base Erosion and Profit Shifting (BEPS) conditions, which will also consider preventing possible profit shifting.	C.5.1	Agreed mutual scheme between the Netherlands and Sint Maarten.	1. Official agreement on content and consideration in Council of Ministers of the Kingdom of the Netherlands..	As quickly as possible		The process of reaching an agreement between Sint Maarten and the Netherlands took some more time than expected but is now in its final stage. Finalization of the draft is expected around mid October, followed by consideration by the CoM and submission to the Kingdom Council of Ministers.
C.6	Legislation for the signing and coming into effect of the Establishment Agreement World Bank will be adopted and implemented.	C.6.1	Implementation of legislation (tax paragraph) Establishment Agreement World Bank.	4. National Ordinance publication.	As quickly as possible		Result attained. Published in AB 2022, no. 61

Theme D: Financial sector

Measure description		Activity description		Intended results	Deadline	Status	Explanation
D.1	An integrated detailed investigation of the financial sector will be carried out by an external independent party. Based on the outcomes of this detailed investigation, measures will be formulated to address shortcomings.	D.1.1	As quickly as possible, implementing the measures to address shortcomings in response to the recommendations from the IMF with regard to the financial sector of the monetary union Curaçao-Sint Maarten.	2. Progress of the implementation of the recommendations of the IMF will be monitored and adjusted where necessary.	Continuous		As part of the Ennia resolution, the outline agreement stipulates that the inclusion of the action points under Theme D in the implementation agenda remain desirable. The financial sector review (D.1) has been completed. The results will eventually be incorporated into the implementation of D.2, aimed at, among other things, the transition to risk-based supervision and the strengthening of supervisory enforcement. From Q1 2024, these components will be merged and provided with new implementation activities.
				3. Setting up of a financial Stability Committee for policy dialogue with Ministers of Finance of Sint Maarten and Curacao.	30 September 2023		A request must be made to the IMF in Q4 2023 for advice on starting a dialogue on the committee's institutional design.
				4. Strategic Review future financial sector	30 September 2023		An assignment formulation for the review is being drawn up. Other reforms based on IMF recommendations have been given priority. The review is to be expected to take another year.
				5. Finalising implementation of risk focussed supervision.	31 December 2024		
				6. Strengthening supervision instruments of financial institutions for accountability purposes.	30 September 2023		This has been completed. The policy and provisioning guidelines have been published online. This activity will be taken of the implementation agenda.
				7. Review of the resolution framework and implementation DGS.	31 December 2024		
				D.2	An integrated detailed investigation will be carried out into the system of supervision (legislation and regulations, supervisory policy) of the financial market by an external independent party. Based on the outcomes of this detailed investigation, measures will be formulated to address shortcomings.	D.2.1	As quickly as possible, implementing the measures to address shortcomings in response to the recommendations from the IMF with regard to the financial sector of the monetary union Curaçao-Sint Maarten.

D.4	<p>Known shortcomings in legislation and regulations will be modernised, under all circumstances including introduction of the Deposit Guarantee System (DGS) and modernisation of the resolution framework). Overview of which legislation should be adjusted, followed by adjustment, decision making and implementation of the legislation.</p>	D.4.1	<p>Continuation of plan of approach CBCS, development of legislation calendar and agreements with WJZ on reinforcing legislative capacity.</p>	<p>2. Implementation of legislation calendar. During the further execution of the reform programme by the CBCS and in line with the IMF recommendations, the modernisations of the resolution framework will be prioritised. Additionally, CBCS will develop a roadmap to address the results of the scheduled asset quality review.</p>	Continuous		<p>The SER endorses the modernization of the deposit guarantee schemes proposed by CBCS.</p>
D.5	<p>The governance of the CBCS will be reinforced, in accordance with international best practices, including the separation of the various tasks within the CBCS.</p>	D.5.2	<p>As quickly as possible, implementing the measures to address shortcomings in response to the recommendations from the IMF with regard to the internal organisations of the CBCS.</p>	<p>1. Monitor recommendations progress as a result of review The complete independence of the CBCS is the main priority in following up on the recommendations from the IMF report.</p>	Continuous		<p>The strategic plan to strengthen the internal governance of CBCS runs until 2025.</p>

Theme E: Economic reforms

Measure description		Activity description		Intended results	Deadline	Status	Explanation
E.1	An integrated analysis of the current labour market policy, legislation and regulations will be carried out on the basis of which the labour market policy will be updated and modernised. Measures such as shorter working hours, part-time employment, short-term contracts, flexible dismissal laws, removal of obstacles to employing foreign workers, illegal employment and tackling youth unemployment will be included in the analysis. Based on the analysis, proposals will be developed and implemented.	E.1.2	Integral socio-economic reform agenda (see also measures E.3 and E.4)	3. Integral socio-economic reform agenda with communication and implementation plan sent to CoM for approval.	1 July 2023		The communication plan and final report was completed and sent to COM for approval. Approval was granted August 22. Planning for the conference has begun with a date set for October 26 2023
E.2	The informal economy and illegal work will be dealt with. Based on the study into the scale of the informal economy, proposals will be developed and implemented.	E.2.0	This will be incorporated in the socio-economic reform agenda				
E.3	Illegal employment of foreign workers will be dealt with. As study will be carried out into illegal employment of foreign workers. Based on the results and recommendations, proposals will be developed and implemented.	E.3.3	Implement implementation plans for measures against illegal employment.	4. With regard to short-term measure 3 from E3.3. implementation plan: Update of regulation of temporary employment agencies is necessary to prevent abuse. -Hiring consultant for reviewing and adjusting/developing needed legislation.	1 August 2023		This measure was placed temporarily on hold as it will be incorporated into the integrated social economic reform agenda.
				5. Attn short-term measure 4: administrative enforcement legislation will be revised so that fines can be imposed in the event of illegal employment. An assignment to review the administrative enforcement legislation has been put out to tender.	1 July 2023		The Lvo bestuurlijke handhaving/National Ordinance to amend the National Ordinance on Administrative Enforcement was signed by the Minister of Justice to be approved by the COM.
				6. With regard to short-term measure 2 from the implementation plan of E3.3 (synchronisation of the application for work and residence permits); Taskforce Pilot Project (TPP) communication plan has been implemented.	31 December 2023		An extension was requested and granted for the continuation of the pilot project due to delays and decision making. All areas that were identified as challenges were addressed during the third quarter.

E.3	cont.			7. Attn short-term measure 4: administrative enforcement legislation will be revised so that fines can be imposed in the event of illegal employment. Advice by Council of Advice available.	1 November 2023		Awaiting approval of the COM.
E.4	The system of social security will be given an activation function, with the appropriate stimuli, while also ensuring an adequate social catch net. Based on existing and/or additional studies, proposals will be developed and implemented. Viewed in combination with the measures concerning the reform of the labour market.	E.4.2	Integral socio-economic reform agenda (see also measures E.3 and E.4)				
E.5	Sint Maarten will raise the retirement age to 66 (in 2025) unless independent studies show that raising the retirement age to 66 in 2025 is not realistic, and there are alternative proposals with the same budgetary effect. An independent economic institute (appointed by the COHO in consultation with the country) will map out the structural budgetary effects for the affordability of pensions and social security if the retirement age is raised to 66 years in 2025 and were to be further raised by indexing to life expectancy, and will calculate any alternative proposals. The outcomes will be presented to Sint Maarten and the Netherlands, followed in consultation by an assessment of how the study results should be implemented.	E.5.0	The issue of the pension age is included in the integral socio-economic agenda.				
E.6	Entrepreneurship and the investment climate will be prompted. In connection to this it is essential that, amongst other things, the licencing system be optimised, the costs of doing business lowered and bureaucracy (red tape) removed. Proposals will be developed and implemented on the basis of an integral review of (among other things) laws & legislation.	E.6.2	Implementation of the recommendations stemming from the research into the entrepreneurship and investment climate.	2. Plan of approach concerning implementation of recommendations adopted. 3. Implement recommendations 1.1, 1.2, 1.6 and 1.10 from the entrepreneurship and investment climate study.	31 July 2023 31 August 2023		The PoA has been finalized with a delay and has been submitted for approval. 1.2 and 1.6 are complete; 1.10 was delayed, but is being tackled in phases. The moratorium on Public Transportation is being tackled first (and should be adjusted by October 1st), followed by the other moratoria. We expect to have the list of moratoria updated by December 30, 2023. External expertise will be hired to implement 1.1 after the PoA has been formally approved.

E.6	cont.			4. Implement recommendations 3.1, 3.3 and 3.4 from the entrepreneurship and investment climate study.	1 January 2024		Activities are ongoing; 3.1 and 3.4 are complete. An overview of the steps and license requirements are available on the website of the Chamber of Commerce (3.1). However, as requirements change and other measures are tackled, this overview will have to be updated. As it pertains to measure 3.4., there are a number of training programs running. The Ministry, for example, underwent a year-long training program for aspiring and existing entrepreneurs. Though the trainings are not online, they are available, and the intention is for such to remain available. External contractors will implement part of activity 3.3, which is also partly depended on results of 1.1, 1.2, and 1.6.
				5. Execute other priorities (1.3, 1.7, 1.8, 1.9 and 5.1)	30 June 2024		A procurement process was prepared to hire external expertise to increase the feasibility of these recommendations. However, such had to be placed on hold pending feedback from TWO and formal approval on the PoA.
E.7	Development and implementation of land policy and spatial plan policy.	E.7.1	Drafting a plan of approach based on four pillars: 1. Creating a spatial economic strategy, 2. Land allocation policy including land inventory, 3. Land price policy, 4. administrative and financial backlogs	4. Plan of approach adopted.	1 July 2023		The full adoption of the plan of approach has been further delayed. The internal approvals are taking longer than anticipated.


Theme F: Healthcare

Measure description		Activity description		Intended results	Deadline	Status	Explanation
F.1	To be able to manage COVID-19 and to maintain its manageability, the recommendations from the OMT Caribbean area (24 April 2020 and 3 June 2020) will be implemented, including under all circumstances the following measures: - maintaining available IC capacity; - strengthening public health services (including source and contact investigations); - keeping sufficient personal protective equipment (PPE) in stock; - increasing and maintaining test capacity; - introducing syndrome surveillance; - guaranteeing sufficient air ambulance capacity; - purchasing COVID vaccine and implement vaccination program (when vaccine is available).	F.1.1	Continuous.				
		F.1.2	Pandemic preparedness: Revise the 2016 Health Ordinance and associated protocols to promote pandemic preparedness. Training of relevant staff on these procedures and protocols.	1. Draft two pager on the revision of Public Health Ordinance officially ready for approval by the Minister of VSA. 2. Plan of Approach on revised Public Health Ordinance agreed by the Council of Ministers and TWO.	1 July 2023 31 October 2023	 Awaiting the feedback from TWO, see point F.1.2.1.	
F.2	In the framework of efficiency, unnecessary duplications in care provision by the various hospitals and other inefficiencies will be mapped out and cut back, by drawing up and implementing a cooperation plan for regional hospitals in the Caribbean area of the Kingdom and reaching administrative agreements, which under all circumstances will include: - reducing the number of medical transfers to third countries by expanding the range of care on offer within the Caribbean region of the Kingdom (top specialist care); - joint purchasing of medication, resources, materials and equipment; - regional training and capacity planning of healthcare personnel (reducing training costs through less training abroad); - rationalisation of laboratory care and reduction of the number of laboratories; - medical specialists who provide insured care as an employee of hospitals (death house construction); - strengthening cooperation between primary and secondary care; - reassessing the method of funding and rates for second-line health care together with health insurers and the Dutch health care authority.	F.2.2	Proposal to jointly (Dutch Caribbean Hospital Alliance (DCHA) + the platform for health insurers CAS-BES (PSZ)) draw up a program of requirements on which a (quality and cost-based) inventory of rates of the hospitals affiliated to DCHA and healthcare institutions in other destinations (Colombia, Dominican Republic, the Netherlands) will be based.	1. Insight into the care offered by DCHA affiliated hospitals and hospitals in the region and the (comparative) costs thereof	Q3 2023		The implementation of this measure takes place under supervision of the four-country meeting. Therefore, this measure has been removed from the implementation agenda from quarter four onwards.
		F.2.5	Summit DCHA–Platform Cooperating Healthcare Insurers (PSZ) on Bonaire.	3. Drawing up an action plan in response to the study results.	Q4 2023		The implementation of this measure takes place under supervision of the four-country meeting. Therefore, this measure has been removed from the implementation agenda from quarter four onwards.

F.3	Based on existing and/or additional studies into efficiency (including financing) and effectiveness of healthcare and the outcomes of measure F.2, proposals will be developed and implemented. Possibilities include reassessing the insurance package and introducing own payments.	F.3.1	Drawing up and implementing action plan with the aim of increasing the effectiveness and efficiency of long-term care (General Health Insurance).	21. Public awareness material designed and approved	31 August 2023		Order of the planning was changed, see result 23. The earlier bidding procedure did not yield a suitable supplier which is needed to start the public awareness strategy, including the development of the materials. Next procedure has been started and a new supplier has been selected and a new knowledge partner has been contracted for research to start in Q4. Public Awareness Campaign Strategy was updated.
				22. Council of Advice advice received	31 July 2023		Uncertainty connected to Social Economic Council Advice (SER) has caused a delay. The SER is currently awaiting appointment of their new board members and as such will not advice on any legislation. Urgent request for advice has been submitted to the Council of Advice. Response pending.
				23. Knowledge partner for public awareness campaign has been contracted and phase 1 (research) completed.	1 July 2023		Bidding procedure started to select an appropriate candidate to execute the work. A suitable candidate was not found. A new bidding procedure started. Co-funding with SZV is being secured.
				24. Further report written and GHI LV and LB ham presented to parliament	31 August 2023		The laws were prepared with the feedback of the Council for Public Health, the CCSU council for of civil service union and the previous advice of SER from 2019. The law will be sent to the Council of Advice in Q4.
				25. Overview of gaps and needs-analyses of executing agencies, SZV and Tax Office, finalized, start of change management program.	30 September 2023		Meetings were held with SZV, the Civil Registry Department and the Tax Office to address challenges and gaps and needs for implementation. Registration, changes of the software, the levy at the tax department and the data exchange between the three entities were discussed and partially resolved.
	F.3.2	Drawing up action plan with a view to increasing the sustainability of the healthcare system in the short term, under all circumstances considering the implementation of the needs assessment of healthcare institutions, efficient purchase of medicines and preventive care.	7. Implemented interface with the second lab on SXM	30 September 2023		Health Care Laboratory of Sint Maarten (HCLS) has been targeted to connect in the past quarter to the new system, however the lab has been non-responsive to the requests of the technical project team. Since early September, the communication has been re-established and now work is in progress to connect HCLS to the Health Service Bus. As part of the PCCP Project on establishing a central integrated healthcare information system infrastructure, the overarching goal is to get all Healthcare Institutions (HCIs)/ Healthcare Providers (HCPs) such as General Practitioners (GPs) and Medical Labs to connect to said infrastructure.	

			8. The legislative documents for Law Amendments PCCP phase II are drafted and vetted including advice of Legal Affairs and Advice Council of Advice	30 September 2023		It is expected that the legislation will pass before the end of 2023. This legislative trajectory moved according to plan.
			9. Decision on filling in the "prevention" part of the PCCP, prevention and health care infrastructure plan of approach.	31 August 2023		This item will be coordinated with item F.3.5. A "Report with possible prevention programs". It is ready and waiting for approval by VSA. Decision on the way forward is expected in Q4
	F.3.3	Drawing up and implementing action plan with the aim of increasing the effectiveness and efficiency of long-term care (legislation and policy concerning mental health care).	1. Draft Plan of Approach for legislation and mental health care policy officially ready for approval by the Minister of VSA.	1 August 2023		Draft plan of approach has been shared with the Netherlands. Additional assistance by VNG international has been assured, which has changed the timeline, now expected before 1 November 2023.
			2. Plan of approach Mental health care plan agreed by the Council of Ministers and TWO	31 October 2023		Timing depends on previous point F.3.3.1.
	F.3.4	Drawing up and implementing action plan with the aim of increasing the effectiveness and efficiency of supervision on healthcare and labour (revision of Inspectie VSA legislation). See also theme E.	1. Draft two pager on revision of legislation Inspectie VSA officially ready including coordination between work (E) and health (F) officially ready for approval by the Minister of VSA.	1 August 2023		Draft two pager has been shared with TWO. Deadline was not reached due to delay in receiving feedback.
			2. Plan of Approach revision of legislation Inspectie VSA officially ready, including coordination between work (E) and health (F) agreed by the Council of Ministers and TWO	31 October 2023		Timing depends on previous point F.3.4.1
	F.3.5	Drawing up and implementing action plan with the aim of increasing the effectiveness and efficiency of health prevention programs. (Action plan for prevention and reduction of Non-Communicable Diseases)	1. Draft two pager for prevention and reduction of Non-Communicable Diseases officially ready for approval by the Minister of VSA.	1 July 2023		STEPS (population health) survey commenced and is expected to continue in Q4. A two pager was submitted however no response was given in Q3 from TWO.
			2. Plan of Approach for prevention and reduction of Non-Communicable Diseases agreed by the Council of Ministers and TWO.	30 November 2023		See previous point F.3.5.1

Theme G: Education

Measure description	Activity description	Intended results	Deadline	Status	Explanation
<p>G.1 A group of experts from the four countries / group of educational experts from the four countries is carrying out a detailed investigation of the entire education system, including all public and private stakeholders, including government. The study will under all circumstances cover:</p> <ul style="list-style-type: none"> - educational quality, teaching methods and resources; - connection between education and the labour market; - transition between nursery, primary, secondary education and secondary vocational education (mbo) / higher education (ho) / university education (in the European Netherlands and elsewhere); - efficiency and effectiveness of education funding, mitigating inefficiencies in the system; - strengthening the quality improvement through effective supervision by, among others, the inspectorates; - cooperation between education and development facilities in the region (and possibly the European Netherlands). <p>Under all circumstances, the educational inspectorates of the four countries will be involved.</p> <p>Based on the outcomes of the detailed investigation, measures will be developed and implemented.</p>	<p>G.1.1 Detailed screening of the education system.</p>	<p>10. Draft the plan of approach</p>	<p>30 September 2023</p>		<p>The deadline was not met due to delays in the hiring process. On 7th of August the Project manager started the assignment with the aim to finalize the plan of approach by the end of this year</p>

Theme H: Reinforcing the rule of law

Measure description		Activity description		Intended results	Deadline	Status	Explanation
H.1	In the interest of the stability of public order and security, until further notice, no cutbacks will be implemented that limit the operational capacity within the most vital sectors under the rule of law (The Police Force, Customs, National Detectives, the Prosecutor's Office, the Courts, Coast Guard, Prison and House of Detention, National Security Service)	H.1.1	Continuous.				
H.2	Based on existing and/or additional studies, whether and how the physical and online gambling sector needs to be reformed will be determined. The aim is to increase the revenue for government. Based on proposals, decision making and implementation will take place.	H.2.3	Drafting new gambling legislation	3. Drafting a new gambling law.	1 July 2023		The first draft of the law is completed. The relevant institutions are asked to review. Based on their input changes might be made.
				4. Feedback and advice on the new gambling law has been given by the TWO.	1 July 2023		Feedback and advice was provided.
				5. Feedback and advice from the TWO will be processed.	1 August 2023		Feedback and advice was provided and taken up.
				6. The TWO to receive the proposal for an organisational structure of the Sint Maarten Gaming Authority (SMGA)	To be determined		The proposal for the organizational structure is linked to the business case assignment (H.2.6)
				7. Feedback/advice on proposed organisational structure Sint Maarten Gaming Authority (SMGA) by the Netherlands	To be determined		See previous point H.2.3.6
		H.2.5	Research into gambling addiction by an external party	2. Commissioning research into gambling addiction on Sint Maarten	1 July 2023		The deadline was not met as the drafting of terms of reference is more complex than initially expected.
		H.2.6	Business case Sint Maarten Gaming Authority	1. Deploy assignment business case	1 July 2023		The assignment has been deployed. The response time was extended with three weeks in order to make it possible for more interested parties to respond. Therefore there is a slight delay. A few proposals came in.
				2. Assign business case assignment	1 July 2023		Due to the delay the business case has not been assigned yet. The aim will be to make a decision this quarter. An adjusted TOR will be published in October.

		H.2.7	Drafting new gambling legislation	1. SXM drafts the necessary LB h.a.m.'s	To be determined		This is ongoing. In addition an overview of necessary LB h.a.m.'s and regulations has been made to support the process of drafting the implementing regulations.
				2. The TWO provides feedback/advice on drafted legislation and regulations	To be determined		Ongoing
				3. Feedback/advice on lower laws and regulations is processed	To be determined		Ongoing
H.9	Countries will work together towards to a harmonised level of protection of personal data within the Kingdom on the basis of a Kingdom Act. An plan of approach will be developed and implemented.	H.9.1	Implement project phase based on adopted plan of approach .	6. Chapter 3 draft bill	31 January 2024		According to planning
				7. Implementation test draft bill	To be determined		According to planning
				8. Clarity on country request for assistance	15 August 2023		
H.12	The management and supervision of the crime fund will be restructured. Curaçao and Sint Maarten will follow upon the recommendations from the reports by the Law Enforcement Council. At the latest by 15 June 2021, the countries will have appointed an executive organization to monitor the fund for compliance in line with the recommendations and to report on correct functioning of the fund.	H.12.1	Follow up on the recommendations from the reports by the Law Enforcement Council with regard to the crime fund.	5. The 2023 crime fund policy plan has been adopted.	1 September 2023		Progress on the implementation of this measure is limited due to staff shortages. Therefore, the deadline of this measure has been postponed until October 1st. This extension has been indicated in the implementation agenda of Q4 2023.
				6. The Crime fund manual has been adopted.	1 September 2023		Progress on the implementation of this measure is limited due to staff shortages,. Therefore, the deadline of this measure has been postponed October 1st. This extension has been indicated in the implementation agenda of Q4 2023.
				7. The financial administration has been set up.	1 September 2023		Progress on the implementation of this measure is limited due to staff shortages. Therefore, the deadline of this measure has been postponed October 1st. This extension has been indicated in the implementation agenda of Q4 2023.
				8. An implementing organisation has been established and trained.	1 October 2023		The establishment and operation of the implementing organisation depends on the set-up of the financial administration (see result 7). Due to the deadline postponement of results 5 to 7, the deadline of this result will presumably change as well.
				9. A Crime Prevention Steering group has been established and set up.	1 November 2023		The establishment of the Steering Group on the basis of the National Decree has not yet taken place. Due to the postponement of results 5 to 7, the deadline of this result will presumably change as well.
				10. Evaluation completed and project closed.	To be determined		The evaluation and completion can take place after completion of the aforementioned results.

H.20	To improve detention conditions, in consultation with the Netherlands, Sint Maarten will implement the agreements reached on improvement measures from 2018, and as necessary will release funds and include them in the budget.	H.20.1	Taking into account the preparatory activities of the United Nations Office for Project Services (UNOPS) for the construction of a new prison, Sint Maarten will work on the sustainable improvement of the prison system and implement the measures of the 2018 list of commitments that contribute to this.	1. Improvement measures implemented.	1 July 2023		During the Ministerial Consultation that took place June 30th, 2023, the Prime Minister of Sint Maarten, the Minister of Justice and the State Secretary of Kingdom Relations have concluded that activity H20.1 has been carried out with a satisfactory result. The activity can therefore be regarded as completed.
H.21	To satisfy the (international) requirements on detention, before 15 February 2021, Sint Maarten and the Netherlands will issue the assignment to UNOPS to carry out an initial investigation to arrive at a long-term plan for the detention situation on Sint Maarten. Based on the preliminary investigation, follow-up actions will be set out and implemented to ultimately improve the detention situation structurally.	H.21.1	Signing the project agreement and proposal with UNOPS, with the Netherlands as the financier and Sint Maarten as the client, and also co-financier at the signing of Phase 2.	2. Project agreement and proposal Phase 1 and subsequently Phase 2 with UNOPS have been signed by the Netherlands as financier and Sint Maarten as client (for Phase 2 also co-financier) and a governance framework has been set up.	1 July 2023		During the Ministerial Consultation that took place June 30th, 2023, the Prime Minister of Sint Maarten, the Minister of Justice and the State Secretary of Kingdom Relations have concluded that activity H21.1 has been carried out with a satisfactory result. The activity can therefore be regarded as completed. The discussions with UNOPS regarding the preparation of the agreement for Phase II of the prison project will continue.