



SEMI-ANNUAL REPORT JANUARY 1–JUNE 30, 2021

# Sint Maarten Recovery, Reconstruction and Resilience Trust Fund

SINT MAARTEN TRUST FUND



Government of the Netherlands



THE WORLD BANK



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January 1 – June 30, 2021

Prepared by  
Sint Maarten Trust Fund Secretariat  
Caribbean Country Management Unit  
Latin America and the Caribbean Region  
World Bank

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# Abbreviations

|               |   |                  |  |
|---------------|---|------------------|--|
| <b>ASA</b>    | Advisory services and analytics                           | <b>NRRP</b>      | National Recovery and Resilience Plan  |
| <b>ATRP</b>   | Airport Terminal Reconstruction Project                   | <b>PAHO</b>      | Pan American Health Organization   |
| <b>BETF</b>   | Bank-executed trust fund                                  | <b>PDO</b>       | Project development objective  |
| <b>CCRIF</b>  | Caribbean Catastrophe Risk Insurance Facility             | <b>PFI</b>       | Participating financial institution  |
| <b>CDC</b>    | Centers for Disease Control and Prevention                | <b>PM&amp;A</b>  | Program management and administration  |
| <b>CDEMA</b>  | Caribbean Disaster Emergency Management Agency            | <b>PJIAE</b>     | Princess Juliana International Airport                                       |
| <b>CRPP</b>   | Child Resilience and Protection Project                   | <b>PPG</b>       | Project Preparation Grant  |
| <b>CSO</b>    | Civil society organization                                | <b>PSC</b>       | Public service center  |
| <b>CSPFRP</b> | Civil Society Partnership Facility for Resilience Project | <b>RAP</b>       | Resettlement Action Plan   |
| <b>DGTP</b>   | Digital Government Transformation Project                 | <b>RCNL</b>      | Red Cross Netherlands  |
| <b>EDMP</b>   | Emergency Debris Management Project                       | <b>RETF</b>      | Recipient-executed trust fund  |
| <b>EISTP</b>  | Emergency Income Support and Training Project             | <b>SC</b>        | SXM TF Steering Committee  |
| <b>ERP 1</b>  | Emergency Recovery Project 1                              | <b>SF</b>        | SXM TF Strategic Framework   |
| <b>ESIA</b>   | Environmental and Social Impact Assessment                | <b>SMHDF</b>     | Sint Maarten Housing Development Foundation                                  |
| <b>ESMP</b>   | Environmental and Social Management Plan                  | <b>SMMC</b>      | Sint Maarten Medical Center  |
| <b>ESP</b>    | Enterprise Support Project                                | <b>SZV</b>       | Social Health and Insurance Services   |
| <b>GDP</b>    | Gross domestic product                                    | <b>SXM TF</b>    | Sint Maarten Reconstruction, Recovery, and Resilience Trust Fund             |
| <b>GEBE</b>   | Sint Maarten's Utility Company                            | <b>TDSR</b>      | Temporary Debris Storage and Reduction                                       |
| <b>ICT</b>    | Information and communications technology                 | <b>UNICEF NL</b> | UNICEF Netherlands   |
| <b>MECYS</b>  | Ministry of Education, Culture, Youth and Sports          | <b>VNGI</b>      | VNG International  |
| <b>MSMEs</b>  | Micro-, small-, and medium-sized enterprises              | <b>VROMI</b>     | Ministry of Public Housing, Spatial Planning, Environment and Infrastructure |
| <b>NGO</b>    | Nongovernmental organization                              | <b>VSA</b>       | Ministry of Public Health, Social Development and Labor                      |
| <b>NRPB</b>   | National Recovery Program Bureau                          | <b>WHO</b>       | World Health Organization  |



# 1. Introduction

This report provides an overview of the activities undertaken under the Sint Maarten Reconstruction, Recovery, and Resilience Trust Fund (SXM TF) from January 1 to June 30, 2021.

On September 6, 2017, Sint Maarten was severely affected by Hurricane Irma. The Sint Maarten Government and the World Bank estimated the catastrophic damage and losses at US\$2.7 billion, 260 percent of Sint Maarten's gross domestic product (GDP).<sup>1</sup> In response, the Government of the Netherlands sent immediate bilateral aid, complemented by substantial private donations.

On April 16, 2018, the SXM TF was established at the World Bank for up to €470 million, financed by the Government of the Netherlands. The SXM TF supports a program for the recovery and reconstruction of Sint Maarten and the strengthening of the country's resilience to natural disasters. The SXM TF Secretariat is housed in the Caribbean Country Management Unit in the World Bank's Latin America and Caribbean Region.

The SXM TF's strategic framework sets out the program's support for (i) the post-hurricane recovery and reconstruction of Sint Maarten; and (ii) longer-term development priorities to strengthen the country's resilience.

To date, the SXM TF has received US\$414.47 million from the Netherlands. Activities financed out of these funds are approved by the SXM TF steering committee (SC) which is comprised of a representative each of Sint Maarten, the Netherlands, and the World Bank. Activities consist of recipient-executed projects implemented by the Government of Sint Maarten or its designated implementation agencies and World Bank-executed activities including hands on implementation support, analytical work, and preparation and implementation support. The National Recovery Program Bureau (NRPB) implements and coordinates most recipient-executed SXM TF activities on behalf of the Government of Sint Maarten. Some activities are implemented by other entities designated by the Government of Sint Maarten. The SXM TF program benefits from complementary technical assistance and expertise provided, as appropriate, by the Government of the Netherlands and the World Bank.

Sint Maarten, one of the four constituent countries of the Kingdom of the Netherlands,<sup>2</sup> is a small, high-income island country with a GDP per capita of US\$29,781 in 2019.<sup>3</sup> It shares its territory with the French overseas collectivity of Saint Martin and hosts more than 40,000 inhabitants on 16 square miles of land. In 2016, when tourism accounted for 45 percent of GDP and 73 percent of foreign exchange, Sint Maarten had the second most-visited port in the Caribbean, and its international airport served as a hub for nearby islands.

The World Bank produces an annual report for each calendar year and a semi-annual report after the closing of the World Bank's fiscal year (on June 30). These reports provide an overview of results, progress, and challenges, for projects under implementation, projects that are being prepared, associated analytical work, and a financial overview. The current report summarizes the SXM TF's main achievements, activities, results, and unaudited financials from January 1 to June 30, 2021.



<sup>1</sup> Damage refers to damage to buildings and assets. Losses due to the disruption of access to goods and services are defined as changes in economic flows and higher costs in production arising from the disaster, based on the 2018 *Sint Maarten National Recovery and Resilience Plan: A Roadmap to Building Back Better*.

<sup>2</sup> The Kingdom of the Netherlands is composed of the Netherlands, Aruba, Curaçao, and Sint Maarten (since October 10, 2010).

<sup>3</sup> International Monetary Fund, Article IV Consultation 2021. [IMF Executive Board Concludes 2021 Article IV Consultation with the Kingdom of the Netherlands—Curaçao and Sint Maarten](#)





# 2. Executive Summary

## Introduction

In the first six months of 2021, Sint Maarten continued to battle the effects of the COVID-19 pandemic. Access to the island was significantly affected. The COVID-19 pandemic caused an estimated 24 percent contraction of GDP in 2020.<sup>4</sup> As of end-June 30, 2021, Sint Maarten reported 2,632 confirmed COVID-19 cases and a total of 39,460 doses administered (about 41 percent of the population fully vaccinated).<sup>5</sup> Restrictions on global travel required internationally based teams to work offsite virtually, but during the first three months of 2021, as global restrictions eased, a limited number of international experts and consultants resumed travel to Sint Maarten to support implementation.

Despite a challenging environment, the implementation of projects financed by the SXM TF accelerated, achieving significant results. In addition, preparatory meetings were held in the Hague, the Netherlands, in late June 2021, to discuss the allocation for priorities set by the Government of Sint Maarten for the remaining resources under the Trust Fund and prepare a Steering Committee meeting to be held mid-July.<sup>6</sup>

## Implementation Achievements

Program implementation advanced substantially during the first half of 2021, despite the continued constraints faced due to the COVID-19 pandemic environment. By mid-2021, more than 70 percent of SXM TF's available resources were made available to the World Bank for recipient-executed and World Bank-executed projects. Ten projects are under implementation for US\$313 million and three projects are under preparation for US\$65 million. Total disbursements for recipient-executed project have reached US\$122 million or a disbursement rate of 39 percent. To date, 102 contracts were awarded to local firms and 68 contracts were made available to international firms to implement project activities, mainly in reconstruction.

A new Digital Transformation Project (US\$12 million) was approved in March 2021. The SC also allocated additional financing for the ongoing Emergency Recovery Project I (US\$45 million). Additional financing for the Emergency Debris Management Project (US\$25 million) was also approved, and a further \$25 million has been set aside for future financing under this project.

The main works for the Airport Terminal Reconstruction Project (US\$72 million) are poised to start. Procurement for the terminal reconstruction has been completed and works set to begin in the fall of 2021. The project's support to the airport's operating expenditures (US\$7.42 million provided in 2020) is expected to continue, albeit at lower levels, as airport revenues are beginning to recover, due to the partial resumption of travel flows.



<sup>4</sup> International Monetary Fund, Article IV Consultation, April 2020.

<sup>5</sup> Source: *Our World in Data* (University of Oxford COVID-19 Tracker)

<sup>6</sup> Outcomes of the SC of July 14, 2021 are summarized in a [Press Statement](#).

Significant advancement on home repairs has been achieved under the Emergency Recovery Project I (ERP I) and the Red Cross Repair project: 557 have been repaired including 269 homes for the most vulnerable people in the Belvedere complex, managed by the Sint Maarten Housing Development Foundation (SMHDF), of which 109 homes were repaired under the project and another 160 home repairs were retroactively financed, 106 private homes that underwent comprehensive repairs, and 182 roofs of homes were repaired by the Netherlands Red Cross. Eleven major emergency shelters were repaired in advance of the hurricane season, providing protection capacity for up to 900 people. Repairs to three out of nineteen damaged schools are almost completed. Critical emergency equipment was delivered to the Government, including isolation units for ambulances, communications equipment, and vehicles for various ministries. Critical heavy equipment was delivered to the Ministry of Public Housing, Spatial Planning, Environment, and Infrastructure (VROMI). This equipment will allow VROMI to improve daily landfill management activities. Waste studies were completed to underpin the development of a detailed reform agenda for the waste sector to run concurrently with waste sector investments. As of June 30, 2021, 63 shipwrecks out of 109 targeted had been removed from Simpson Bay Lagoon and Mullet Bay Pond in an environmentally and occupationally safe manner. Shipwreck salvaging is expected to be completed in Q4 2021.

After repairs and upgrades, the existing Sint Maarten Medical Center (SMMC) is fully functional. Key services including dialysis have been expanded, and the repaired and upgraded roof can withstand Category 4 hurricane winds. Patients are safer thanks to a new alarm and fire detection system and costs lower thanks to a reduction in overseas referrals. Construction on the new General Hospital building is under way, with completion expected in early 2024. With Additional Financing a COVID-19 pavilion was constructed, and medical supplies and equipment were procured.

Since the inception of the program, SXM TF has supported the insurance of Sint Maarten against tropical cyclones, earthquakes, and excess rainfall under the Caribbean Catastrophe Risk Insurance Facility (CCRIF) and its membership in the Caribbean Disaster Management Agency (CDEMA). The Additional Financing approved for ERP1 in the first half of 2021 will allow this coverage to be extended to June 2023.

In the first half of 2021, 180 Micro, Small and medium enterprises (MSMEs) applied for financing under the US\$35 million [Enterprise Support Project \(ESP\)](#). Financial packages for 53 firms have been approved, and remaining applications are under review. The project provides a mix of working capital loans and asset recovery grants to MSMEs through local private sector banks (Windward Islands Bank, Qredits, and Banco di Caribe) as well as support to build capacity and develop business plans.

Over this reporting period, a second round of small grants was awarded to NGOs and CBOs through the US\$7.2 million Civil Society Partnership for Resilience Project (CSPFRP), also known as [Resources for Community Resilience \(R4CR\)](#), implemented by VNG International (VNGI). To date, 24 grants about a million dollars have been provided to civil society organizations (CSOs) to improve service delivery and community resilience. The SXM TF also finances UNICEF Netherlands for US\$5 million to support disaster preparedness and children's psychosocial well-being at the school level and help strengthen child protection systems.

At its completion, component 1 of the Emergency Income Support and Training Project supported almost 2,000 Sint Maarteners, of which 69 percent women with training in hospitality and construction and income support project reaching 60 percent of the unemployed people in Sint Maarten and becoming the largest program of this type in Sint Maarten.<sup>7</sup> The project is now focused on building an updated and digitized social registry system for the Government.

The milestones and substantial impact of the program over the period are summarized in tables 2.1 and 2.2.



<sup>7</sup> According to the 2018 Sint Maarten Labor Force Survey, 2,296 people were officially unemployed, and the program reached 1,489 who were reported as unemployed.

**Table 2.1 Program Commitments**

| High-level trust fund program milestones           | December 2020                   | July 2021                          |
|--|---------------------------------|------------------------------------|
| Program Commitments to Recipient-Executed Projects | US\$254 million                 | US\$313 million                    |
| Program Disbursements/Commitments to Contracts     | US\$97 million / US\$65 million | US\$122.4 million / US\$68 million |
| Nongovernmental Implementation Partners            | 6                               | 6                                  |

**Table 2.2 Project Results**

| Project                                       | Indicator   | Target             | Progress as of December 2020 | Progress as of June 2021 |
|---|---|--------------------|------------------------------|--------------------------|
| Emergency Income Support and Training Project | Participants receiving income support and training/number of women                              | 1,155/670          | 1,960/1,350                  | 1,960/1,350              |
| Emergency Recovery Project 1                  | Home repairs  | 535                | 167                          | 375 <sup>8</sup>         |
|   | Number of critical facilities repaired (2 police stations, 11 shelters, radiosonde, 19 schools) | 33                 | 7                            | 15                       |
|   | Water tanks repaired  | 4                  | 4                            | Completed                |
| Irma Red Cross Roof Repair                    | Roofs repaired  | 200                | 182                          | 182/Completed            |
| Hospital Resiliency and Preparedness Project  | Roof repairs of an existing hospital  | Roof installed     | Completed                    | Completed                |
|   | Overseas medical referrals reduced (percentage)   | 45%                | 79%                          | 92% target exceeded      |
|   | Disaster Preparedness Plan and Evacuation Plan  | 90%                | 91%                          | 91% target achieved      |
|   | Progress in essential upgrades of existing hospital (percentage)                                | 100%               | 71%                          | 71%                      |
|   | Installation of an Auxiliary Care Facility for treatment of COVID-19 patients                   | Facility installed | Completed                    | Completed                |



<sup>8</sup> Includes 269 homes for the most vulnerable people in the Belvedere complex, managed by the Sint Maarten Housing Development Foundation (SMHDF), of which 109 were repaired by the project and another 160 home repairs retroactively financed, and 106 private homes that underwent comprehensive repairs.

| Project                               | Indicator   | Target                   | Progress as of December 2020 | Progress as of June 2021                               |
|---------------------------------------|---|--------------------------|------------------------------|--|
| Emergency Debris Management           | Fire hotspots control improved at disposal sites (baseline 30)  | Infrequent surface fires |                              | 2 hotspots   |
|                                       | Heavy equipment delivery (front loader, bulldozer, and fire support)  | 4                        | 4                            | Completed  |
|                                       | Shipwrecks removed  | 109                      | 0                            | 63   |
|                                       | Shoreline cleanup   | 10.5 km                  | 0                            | 8.04 km  |
|                                       | Solid Waste Management Strategy, Short-Term Plan for Waste Management, a regional market study for waste management in the Caribbean, and two pre-feasibility studies | n.a.                     | Completed                    | Completed  |
| Airport Terminal Reconstruction       | Reconstruction work on terminal building  | -                        |                              | Contract awarded. Works expected to start in September |
|                                       | Liquidity support for operational expenses paid to airport  | n.a.                     | US\$3 million                | US\$7.4 million  |
| Enterprise Support Project            | MSMEs received financing  | 600                      | 7                            | 53   |
| Civil Society Partnership Facility    | CSOs receiving grants and number of subprojects funded.   | 80 CSOs<br>100 grants    | 12 CSOs<br>12 grants         | 22 CSOs<br>24 grants                                   |
| Advisory Services and Analytics (ASA) | National Recovery and Reconstruction Plan, Housing Sector Study, Public Expenditure Review, Tourism Action Plan, long term waste studies                              |                          | 2 Completed                  | 5 Completed  |

Note: n.a. = not applicable. Dashes in cells indicate in progress. MSMEs = micro, small, and medium enterprises.

The NRPB has hired all key staff for project implementation, increased its capacity, with more staff allocated to procurement, financial management, safeguards, and project management. A total number of 41 staff and consultations work for the NRPB on the different projects. A framework agreement signed in 2020, is enabling NRPB to hire experts for engineering design and supervision support for civil works.

## Implementation Issues and Constraints

Despite achievements noted over the first half of 2021, implementation remains hampered by regulatory challenges, capacity constraints, and the lack of available qualified personnel in both the public and the private sectors on the island and travel restrictions imposed by COVID-19 regulations. Since the inception of the SXM TF, all projects have faced problems in deploying staff to Sint Maarten due to the challenge in acquiring permits, visas, and residency papers; and since May of 2020, COVID-19 pandemic restrictions have compounded these challenges. The adoption of a legal framework allowing for the establishment of a World Bank office is still under preparation. Lifting any of these bottlenecks would improve implementation performance.

# 3. SXM TF Program Strategy

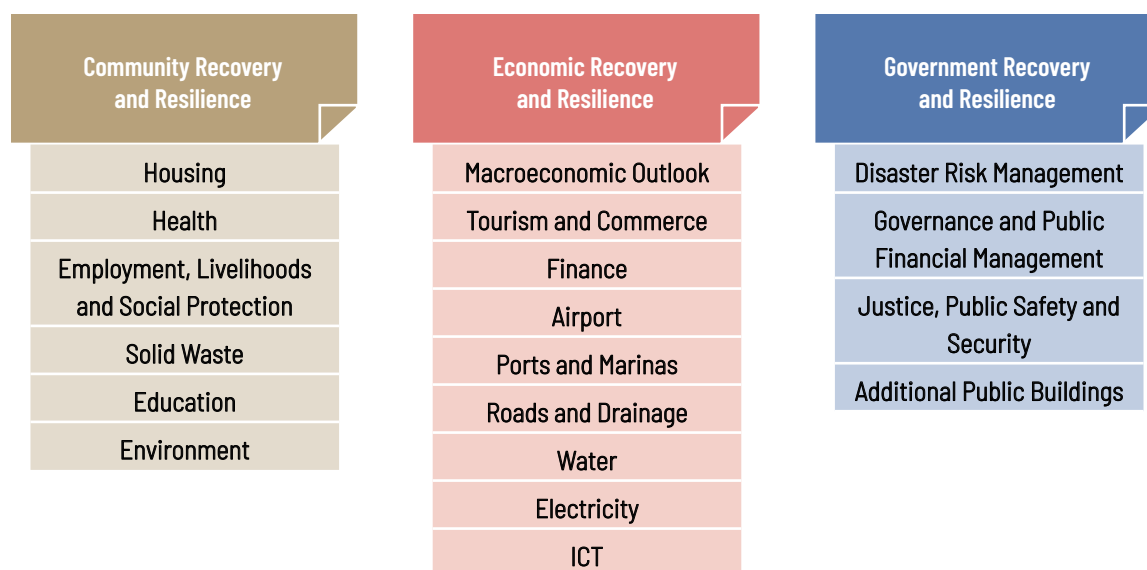
Over the first year of implementation, the National Recovery and Resilience Plan (NRRP) itself and the guiding principles of the SXM TF provided a prioritization framework for emergency projects prioritized by the Government of Sint Maarten and the Government of the Netherlands, with technical guidance of the World Bank.

## National Recovery and Resilience Plan (NRRP)

The NRRP was published by the government of Sint Maarten in June 2018 and endorsed by Sint Maarten's Parliament in August 2018. The NRRP was developed with the technical support of the World Bank.

The NRRP foresees community, economic, and government recovery through investments in priority sectors particularly affected by the 2017 hurricanes (see figure 3.1). The NRRP projected that US\$2.3 billion will be required under these pillars to respond to Sint Maarten's recovery and resilience needs.

**Figure 3.1 Three Pillars of the National Recovery and Resilience Plan**



## Netherlands Guiding Principles for Trust Fund Use

With the establishment of the SXM TF, the objectives of the Netherlands are to support the material and nonmaterial reconstruction and recovery of Sint Maarten wherever necessary, restore vital infrastructure, and sustainably boost the country's resilience in the face of possible future disasters, natural and otherwise.<sup>9</sup>



<sup>9</sup> World Bank, "Guiding Principles of the Netherlands," appendix of *SXM TF Administration Arrangement* (Washington, DC: World Bank Group, 2018).

The Netherlands' guiding principles annexed to the SXM TF Administration Arrangement state that activities will (i) address the damage caused by Hurricane Irma, (ii) make significant improvements to the pre-hurricane preparation of the island, and (iii) restore vital infrastructure whose breakdown would threaten social peace or national security. The support aims to boost resilience by improving crisis management and disaster preparedness, promoting economic diversification and the enhancement of good governance, and strengthening civil society. A preference is expressed for projects "with a long-term vision that respects both people and the environment."<sup>10</sup>

As per these principles, projects are assessed based on seven criteria: their *necessity* (meaning that there are no other sources of funding), *additionality* (meaning they bring in private or other public international financing where possible), *suitability* (their appropriateness in scale considering capacity), *effectiveness* (their ability to attain the objective and their consistency with Sint Maarten's long-term policy orientations), and *efficiency and legitimacy* (meaning that safeguards are in place to ensure both). Good governance is central to all activities undertaken by the SXM TF, in particular, their outcomes and their methods of implementation, the latter supported by the strict application of World Bank processes and procedures for financial management, procurement, and safeguards.

## Strategic Framework

The SXM TF priorities are laid out in the SXM TF Strategic Framework (SF)<sup>11</sup> 2019-2025 and approved by the SC in August 2019. This SF is grounded in the NRRP and addresses the needs for post disaster recovery and takes on selected medium-term challenges in support of Sint Maarten's sustainable resilience and prosperity. The SF groups priorities in three focus areas: to (i) promote sustainable economic recovery, (ii) invest in citizens and resilient communities, and (iii) build the foundations to improve long term resilience and good governance. The SF identifies the objectives to be achieved in these focus areas through approved projects and outlines future avenues for action (see figure 3.2). The SF's principles of engagement include modalities to strengthen local capacity and partnerships with international organizations and NGOs, and the private sector. The SF priorities support the objectives of Sint Maarten's National Recovery and Resilience Plan (NRRP) and are commensurate with the Guiding Principles of the Netherlands recorded in the SXM TF Administration Arrangement.<sup>12</sup> The SF will be reviewed at the midpoint of the SXM TF, in late 2021 as appropriate. While many SF priorities will be financed by the SXM TF, additional financing is expected to be leveraged from other partners to fill sector gaps and complement current/planned activities, where appropriate.

Appendix A provides an overview of the alignment per area of intervention of current SXM TF activities with the NRRP, including the current advancement against long-term indicators.

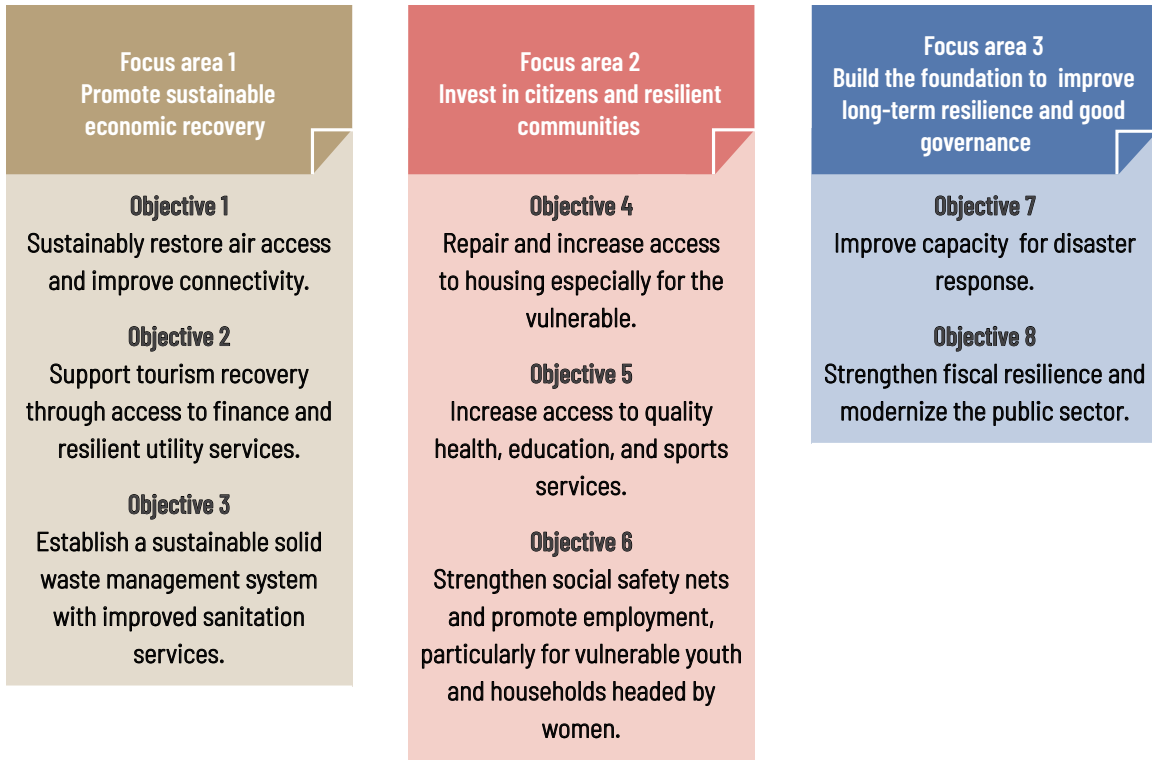


<sup>10</sup> World Bank, "Guiding Principles."

<sup>11</sup> World Bank, *SXM TF Strategic Framework 2019-2025* (Washington, DC: World Bank Group, 2019).

<sup>12</sup> *SXM TF Administration Arrangement*, April 16, 2018; Annex III.

Figure 3.2 SXM TF Strategic Focus Areas







# 4. Activity Summary

## January – June 2021

### Overview

As of June 30, 2021, the SXM TF had received US\$414.47 million from the Government of the Netherlands. An additional US\$13.7 million in investment income was generated for the SXM TF by the World Bank's Treasury Department. As of June 30, 2021, US\$342.2 million had been committed to eleven project grants (US\$313.2 million for recipient executed projects) and to the World Bank's implementation supervision and hands on support to projects, analytical work, technical assistance to the Government of Sint Maarten, trust fund management, and the WB's TF administration fee (US\$7.7 million). Another US\$65 million had been allocated to three projects currently under preparation (see table 4.1).

**Table 4.1 Released Funds**

| Received                                  | US\$ million         | Use of funds   | US\$ million |
|---|----------------------|--|--------------|
| Total TF program committed                | 515.36*              | Administrative fee                                   | 7.7          |
| Total funds received from the Netherlands | 414.47               | Committed to signed projects                         | 313.2        |
|   |                      | Analytical work                                      | 4.6          |
|   |                      | Preparation, supervision, and implementation support | 11.5         |
|   |                      | TF management  | 5.1          |
| Investment income                         | 13.7                 | <b>Total</b>   | <b>342.2</b> |
| <b>Total funds received</b>               | <b>428.17</b>        | Estimated value of projects under preparation        | 65           |
| Balance (from funds committed)            | 108.26 <sup>13</sup> | Total spent and allocated                            | 407.1        |

\*Reflects reduction of total estimated amount, taking into account off the top deductions by the Netherlands which are/are to be provided through bilateral channels to for Sint Maarten.



<sup>13</sup> Balance from \$515.36 million committed by NL and total spent and allocated (\$407.1 million)

As of the end of June 2021, out of US\$313.2 million committed to recipient-executed projects, US\$122.4 million had been disbursed and US\$190.7 million remained to be disbursed (see Table 4.2). These are projects that have been endorsed for financing by the SC and have completed the full preparation, appraisal and approval processes of the World Bank and the recipient. Project objectives, activities, and progress are detailed in chapter 4, in the “Projects under Implementation: Results to Date” section.

**Table 4.2 Projects Receiving Support**

|     | Projects under Implementation*                                      | Approved   | Commitments<br>(US\$ million) | Disbursements<br>(US\$ million) |
|-----|---|------------|-------------------------------|---------------------------------|
| 1   | Emergency Recovery Project I (P167339+AF (P173225))                 | 7/10/2018  | 100.2                         | 40.5                            |
| 2   | Emergency Income Support and Training Project (P167368)             | 8/02/2018  | 22.5                          | 19.9                            |
| 3   | Hospital Resiliency and Preparedness (P167532+AF (P167532))         | 8/16/2018  | 28.6                          | 18.6                            |
| 4   | Emergency Debris Management Project (P167347)**                     | 12/21/2018 | 25                            | 12.4                            |
| 5   | Airport Terminal Reconstruction (P176974)                           | 12/09/2019 | 72.0                          | 17.8                            |
| 6   | Red Cross Roof Repair Project (P172619)***                          | 12/30/2019 | 3.8                           | 3.8                             |
| 7   | Enterprise Support Project (P168549)                                | 12/30/2019 | 35.0                          | 6.4                             |
| 8   | Civil Society Partnership Facility for Resilience Project (P172339) | 6/26/2020  | 7.23                          | 1.6                             |
| 9   | Child Resilience & Protection Project (P172582)                     | 10/22/2020 | 5.0                           | 1.2                             |
| 10  | Sint Maarten Digital Government Transformation Project (P172611)    | 03/18/2021 | 12.0                          | 0                               |
| 11* | Fostering Resilient Learning Project Preparation Grant (P172753)    | 03/11/2021 | 1.8                           | 0.25                            |
|     | <b>Total</b>  |            | <b>313.2</b>                  | <b>122.4</b>                    |

\* Grant agreements signed between the WB and the recipient.

\*\* Further additional financing for \$25million allocated by the SC is not included pending World Bank approval.

\*\*\* Project closed on December 31, 2020.

The US\$65 million for the three projects under preparation have been endorsed by the SC and are being prepared for appraisal and approval by the World Bank (table 4.3). In this chapter, the “Projects under Preparation” section provides details on project objectives and content and notes where resources have been set aside by the SXM TF for specific uses, prior to allocation.

**Table 4.3 RETF Projects in Preparation**

|   | Recipient Executed Trust Fund projects under preparation                  | Estimated amount<br>(US\$ million) | Estimated approval* |
|---|---|------------------------------------|---------------------|
| 1 | Fostering Resilient Learning Project (P172753)                            | 30.0                               | Q3 2021             |
| 2 | Additional Financing for the Emergency Debris Management Project (EDMP)** | 25.0                               | Q4 2021             |
| 3 | Long Term Waste Management **   | 10.0                               | Q4 2021             |
|   | <b>Total</b>  | <b>65.0</b>                        |                     |

Note: RETF = recipient-executed trust fund.

\* Estimated timelines are subject to change to meet operational requirements, including appropriate consultation and preparation of appropriate safeguard instruments by the recipient, in line with World Bank policies.

\*\*Allocated but not yet under preparation.

To underpin projects and contribute to knowledge and policy improvements, a program of analytical work has been carried out in collaboration with the Government of Sint Maarten. A public expenditure review, a tourism sector study and statistics compendium, and a housing sector assessment have been completed and delivered to the government. Resources allocated for this work are US\$4.6 million, of which US\$3.4 million has been disbursed. Details are provided in chapter 4’s “Analytical Work” section.

The World Bank has allocated US\$11.5 million for the preparation and supervision of projects. Since the initiation of the SXM TF, US\$9.6 million has been disbursed. Spending is based on standard World Bank norms for preparation and supervision of projects, taking into consideration the need to balance the speed, the complexity of preparation and the necessary costs associated with maintaining due diligence standards for safeguards and financial management. Thirty-two percent of these resources are provided for procurement, safeguards, and fiduciary support and 6 percent for direct hands-on support to the implementing agency to complement limited on-island and in-house government and NRPB capacity.

A financial overview is provided in appendix C, including program management costs. Program costs include all support to date, including retroactive financing of the assistance and expertise provided for the development of the NRRP.

Ten projects are under implementation and one project has been completed. The SXM TF program has delivered substantial results on the ground this year, with a disbursement of 39 percent for projects under implementation, despite difficulties in implementation due to the COVID-19 global pandemic. Activities progressively intensified over 2021 as NRPB staff and consultants returned to the island, while observing COVID-19 protocols. Off-site support and virtual supervision have continued by the World Bank. Despite these positive developments, a return to greater in person-support remains dependent on the evolution of the COVID-19 epidemic in Sint Maarten and worldwide, and teams continue their efforts to strengthen virtual implementation support in light of these uncertainties.

### *Emergency Recovery Project I (ERP I)*

ERP I (US\$100.2 million, which includes US\$55 million approved on July 10, 2018 and US\$45 million approved on April 28, 2021), finances the repair of critical infrastructure (including police stations, the fire and ambulance building, the emergency operation center, shelters, and schools), social and private housing, the procurement of emergency equipment, the increased resilience of electricity and water systems, improved access to sovereign catastrophe risk insurance, and training. ERP I also finances the functioning of the NRPB, which is the project implementation unit for the majority of SXM TF activities. Implementation activities advanced significantly this year with work progressing on repairs to homes, shelters, schools, police stations, and critical equipment for first responders. Total project disbursement stood at US\$40.45 million, as of June 2021.

Despite the flexibility and adjustments, bottlenecks continue to affect implementation in the last six months. Due to COVID-19 travel restrictions, foreign companies and consultants began working remotely this year, and were only able to return in the spring and summer of 2021. The lack of streamlined processes for work and residency permits, and business licenses and taxes for foreign companies and foreign staff continued to pose significant challenges in 2021.

On April 28, 2021, additional financing for US\$45 million was approved, to cover financing gaps for repairs and equipment. The financing will also cover the cost of technical preparation for works, (many of which Government cannot undertake) as well as NRPB staffing and operations from June 2020 until June 2023, originally not budgeted under ERP I.

### **Results**

Several activities contributed to improved working conditions and capacity of first responders to provide emergency services on the island. The NRPB will deliver three fire trucks to the Fire Department by August 2021. A contract was signed in February 2021 to deliver four ambulances by March 2022. The NRPB has provided several vehicles to various ministries. LIDAR terrain and bathymetric survey of Sint Maarten's was completed, and training was provided to government officials on the use of the data. The LIDAR survey will allow the mapping of multiple hazard risks (such as flooding, landslide, and seismic and sea surge risks) to order to better inform disaster response, investment, and planning decisions. Works on eleven shelters prioritized by the Government have been completed, with the last nine completed in April 2021. The shelters are equipped with generators and ready to be used in the case of an emergency.

The project will be extending the financing of Sint Maarten's premia for insurance coverage against disaster risks under the Caribbean Catastrophe Risk Insurance Facility until June 2023. Besides this, the project will also finance the country's membership to the Caribbean Disaster Emergency Management Agency (CDEMA).<sup>14</sup> Membership in CDEMA and Sint Maarten's participation in regional and international



<sup>14</sup> CDEMA is a regional intergovernmental agency for disaster management in the Caribbean Community.

events that focus on disaster risk management and resilience building will help strengthen the country's knowledge and capacity for disaster prevention and response.

*Restoring utility services after Hurricane Irma.* The project aims to help restore and increase the resilience of Sint Maarten's water and electricity systems. It has retroactively financed the restoration by GEBE of four water tanks damaged by the hurricane for US\$1.4 million. Further support to strengthen the resilience of water and electricity assets, including a trenching program to advance the underground piping and cabling of the water and electricity distribution network started in January 2021. The first procurement package for approximately 7.5 kilometers of trenching work for underground cabling of electrical power lines and water pipes has been prepared and the environment and social screening of the proposed work is being finalized.

*Housing repair and public buildings repair.* Of 535 homes to be repaired under this project, 375 homes have been repaired, including 106 private homes and 269 social units, of which 109 were repaired under the project and 160 units retroactively financed in the Belvedere neighborhood. The tender to repair another 64 units housed in six social housing buildings was launched in April 2021.

*School repairs.* Nineteen schools have been identified for repairs and NRPB hired a schools activity manager to oversee the repair program, which is organized in three batches to minimize the disruption to student learning. Repair work on the initial batch of three priority schools started in March 2021. Repairs on one school are completed, with the two remaining schools almost complete. The pace of works is driven by on COVID-19 related conditions and logistics related to the temporary relocation of students during construction.

*Institutional support for recovery and reconstruction.* The NRPB has hired all the key project implementation staff needs (41 positions to date: 31 positions through ERP-1 and in 10 positions for staff in other projects). Through recent recruitments, it has strengthened its capacity in safeguards, procurement, financial management, project and contract management, engineering, and monitoring and evaluation. Engineering capacity under a Framework Agreement consultancy has boosted capacity on island since January 2021, and the agreement is financing technical assessments, designs, drafting procurement packages, and works supervision. This capacity has contributed significantly to expediting project investments. Local works-execution capacity has been augmented, although some bottlenecks remain.

### **Emergency Income Support and Training Project**

The objectives of the US\$22.5 million Emergency Income Support and Training Project (EISTP)<sup>15</sup> are to provide temporary income support, to improve the employability of un- and under-employed workers, initially in the hospitality industry and progressively in other sectors, and to strengthen the social protection system. The project disbursed the bulk of its financing (US\$19.9 million) for component 1 for income support and training activities.

Component 1 was completed in 2020 and overachieved its objectives. Through the Sint Maarten Training Foundation, it provided temporary income support (stipend and transportation allowance) and health insurance to underemployed and unemployed persons and financed their participation in short-term skills training in the culinary, hospitality, and construction sectors. Participation included unemployed and underemployed persons. The project provided access to training and international certification to some of the island's most vulnerable people.

Component 2 aims to conduct a socio-economic needs assessment (SENA) and develop an Integrated Social Registry System (ISRS) to strengthen the coordination and response capacity of Sint Maarten's social protection system in the face of disasters and other shocks. Better data availability and timely



<sup>15</sup> The project was approved on August 2, 2018 and became effective August 9, 2018

analysis will allow the Government to improve its policies, better target its existing programs and services and develop services and programs better tailored to needs of vulnerable populations. The ISRS will be used by the Ministry of Health, Social Protection and Labor (VSA) to support the registration, identification, and selection of the people in most need, regulate the delivery of services and programs, and measure their effectiveness.

## Results

*The Training and Stipends Program:* The training program started in August 2018 and was completed in September 2020, utilizing most of the allocated resources (US\$18.4 million). The program exceeded its initial target of 1,800 participants by 9 percent and succeeded in reaching the most disadvantaged groups of the labor market, such as youth and women. As of September 2020, the program had benefitted 1,960 unemployed and underemployed individuals, of whom 69 percent were women (1,371), 16 percent youth, and 76 percent unemployed.<sup>16</sup> As of December 2020, 1,844 participants had been granted certifications in hospitality and or culinary arts and construction,<sup>17</sup> reflecting a graduation rate of 94 percent. This is an outstanding graduation rate compared to rates seen elsewhere in Latin America and the Caribbean region where rates of about 80 percent are more typical.

Given the program's relevance in the COVID-19 context and in light of its positive results, the Government extended the training program until April 2021 using its own funds. Altogether, including the period between February and July 2018, the Government has spent US\$4.4 million of its own resources, reflecting an important fiscal effort, and underlining the usefulness of this model.

*Design and development of the Social Registry:* A draft design/architecture of the social registry has been delivered to VSA and is under review. Local capacity for appropriate targeting was built within VSA and TEATT through technical assistance from the WB during an assessment of VSA's current targeting method. Development of an improved targeting method requires updated data. Based on the advice of the WB, an agreement was reached between VSA and TEATT to introduce a new data collection process which is being branded as SENA. A draft survey instrument was developed to support SENA phase 1 data collection and is currently under review by the WB. SENA phase 1 and SENA phase 2 are planned for the second half of 2021.

## Hospital Resiliency and Preparedness Project

Approved in August 2018, the objective of the US\$28.6 million Hospital Resiliency and Preparedness Project HRRP (US\$25 million + US\$3.61 million additional financing approved in March 2020) and US\$75 million from Sint Maarten Medical Center Foundation) is to improve the preparedness and capacity of hospital services at the Sint Maarten Medical Center (SMMC), the only hospital on the Dutch part of the island. To date, the project has disbursed \$18.55 million.

The project co-finances the building of the new Sint Maarten General Hospital and ensures its resilience to category 5 and higher hurricanes. The new hospital will substantially increase hospital capacity and enhance health services on Sint Maarten. The project also finances critical upgrades to the existing hospital and contributes to enhancing the quality and scope of hospital services, including updating clinical guidelines and carrying out routine technical audits of their application. To date, 74% of grant financing has been disbursed. Two of the three project development objective (PDO) indicators have already been achieved.



<sup>16</sup> Government of Sint Maarten Labor Force Survey 2018.

<sup>17</sup> Note that a small fraction of the participants graduated from two occupancy training tracks and thus obtained more than one certification. These have been quantified as only a single graduate and have been included in the calculation for either hospitality or culinary.

SMMC is the main provider of clinical response to the COVID-19 pandemic on the island since the first reported case in early March 2020. As of June 30, 2021, there have been 2,632 confirmed COVID-19 cases and 34 deaths in Sint Maarten. Since March 2020, VSA has carried out community outreach testing, public education campaigns, contact tracing, and more recently vaccine deployment. As of June 30, 2021, more than 39,000 vaccines have been administered and around 50% of the population received one dose.<sup>18</sup>

Additional financing of US\$3.61 million was provided in March 2020 for hospital services and supplies to respond to the COVID-19 outbreak. SMMC's needs were assessed using the United States Centers for Disease Control and Prevention Comprehensive Hospital Preparedness Checklist for COVID-19 and projections based on clinical data from the ongoing pandemic. SXM TF resources complemented substantial direct aid from the Netherlands to the Government of Sint Maarten and to SMMC to address the pandemic and facilitate a rapid response.

## Results

*Building and launching of the new hospital (US\$17 million SXM TF co-financing).* Current construction activities include retaining walls for parking and for the care complex, underpinning of the existing hospital foundation, and excavation for the main building. Despite COVID-19 related constraints, the final designs for the new hospital building were delivered on time on March 26, 2021. The Fincantieri Group will take over all projects from the previously selected Italian contractor INSO. SMMC is performing an evaluation of the Fincantieri Group before it gives its approval for transfer of the project to this new contractor. SMMC has stated there is no indication that Fincantieri will not be able to deliver. A conclusion is expected in the coming months.

*Transition and contingency plan for SMMC (US\$11.3 million).* As of mid-June 2021, approximately 71 percent of all essential upgrades to the existing hospital facility have been completed. SMMC is currently focused on completing (i) five additional double patient rooms; (ii) the medical gas distribution system; (iii) the upgrade and expansion of the operating room (OR) complex; and (iv) the dialysis expansion. Already completed essential upgrades include the roof reinforcement, the access control system, the ICT upgrades, the fire detection system, the back-up generators, and the Auxiliary Care Facility for COVID patients. In the first half of 2021, SMMC made concerted efforts to reduce personal interactions because of COVID-19 and increased responses to its patient satisfaction survey through QR code cards and emails. SMMC is working on expanding the patient satisfaction survey to other departments/specialties.

The project target to decrease off-island referrals by 45% has already been significantly surpassed. As of November 2019, general practitioners no longer refer patients for overseas care; only SMMC specialists determine if referral abroad is needed. The total number of medical referrals abroad (insured patients only) decreased from 5,880 in 2017 to 1,254 in 2019 (79% decrease), due chiefly to the substantial expansion of services at SMMC, with the addition of ophthalmology, orthopedics, neurology, pulmonology, OBGYN, pain management and radiology specialties. Figures in 2020 stand even lower, at 461 medical referrals in 2020, due to pandemic related travel restrictions.

SMMC updated and improved the Emergency Disaster Preparedness Plan (EDP) and Evacuation Plan and noted substantial improvements in the Disaster Preparedness Scorecard in 2020. In 2021 SMMC will adjust its floor plans to the Hurricane Preparedness Plan, address difficulties in conducting fire drills due to COVID-19 and install a public announcement system in the hospital. Conducting tabletop drills within the next 3-6 months is under consideration. Lastly, a pandemic preparedness chapter has been developed for inclusion in the EDP and will be finalized before the end of 2021.



<sup>18</sup> Source: *Our World in Data* (University of Oxford COVID-19 Tracker)

The Quality & Patient Safety Department is developing an audit tool and audit system to monitor the quality of clinical care, this includes for elements/standards needed for international accreditation (JCI). Data is expected in Q3 of CY21. Progress in this area has been hampered by the vacancy of the Quality and Patient Safety Manager, for which SMMC is actively recruiting.

The SMMC has used the additional financing of US\$3.6 million to purchase medical supplies and equipment, personal protective equipment, pharmaceuticals, and nonmedical equipment for COVID-19 triage and isolation areas. Funding was used to equip a medical pavilion for triage of suspected cases and treatment of mild cases donated by VSA. In September 2020, construction was completed on the [auxiliary care facility](#) (ACF) for COVID-19 care which replaced the pavilion. The ACF is located outside of the main hospital in containers that are hurricane-safe (up to category 4) and has a total of 16 beds, of which 6 are intensive-care and 10 are medium-care beds. SMMC has an additional isolation capacity of 11 beds within the hospital. These additional funds provided by the Trust Fund have strengthened SMMC's preparedness and capacity to respond to the increased demand of health services, prevent and delay the spread of the COVID-19 pandemic, and helped split services between COVID-19 and non-COVID-19 patients, protect health workers and patients, and streamline patient isolation and treatment of severe cases requiring intermediate or intensive care. Additional support was provided to the hospital by the Dutch Health Ministry.

### *Emergency Debris Management Project*

The Emergency Debris Management Project EDMP (US\$25 million)<sup>19</sup> finances the management of debris from Hurricane Irma and reconstruction activities to facilitate recovery and reduce risks. Project activities include collecting and clearing debris (metal and car wrecks); reducing the risks of operation, reorganization, rehabilitation, and the upgrading of debris storage and municipal disposal sites, debris processing and disposal; removing shipwrecks and salvaging, including shoreline cleaning and technical assistance. The project has disbursed US\$12.44 million to date.

Since the 1990s, landfill capacity and municipal waste management are problems that have been left unaddressed and have negatively affected environmental conditions on the island. The absence of an efficient, sanitary waste disposal system continues to cause pollution and create unsafe conditions for those living in the vicinity. Hurricane Irma intensified these long-standing challenges in landfill capacity and municipal waste management. The massive amounts of debris and municipal wastes disposed of in landfills caused smoldering fires and flare-ups and endangered the surrounding communities. The fires and hot spots on the landfills have been substantially reduced, but the potential slope instability on the landfill poses potential risks to the nearby community.

Considering the significant reduction in landfill subsurface fires, an agreement was reached between the World Bank and the Government in late January 2020 to terminate the originally planned stand-alone fire suppression activity and integrate fire control within routine landfill management activities, to address the remaining and future fire hotspots. The daily operation of the landfill can take place only in a designated area with applicable health and safeguards measures in place, because potentially unstable slopes on the landfill pose significant risks to the neighboring community. This community has been prioritized for resettlement. The adjusted project approach is reflected in a project restructuring completed in June 2021.

While the delivery of critical safeguard instruments has been significantly delayed, the NPRB and the Government have accelerated their preparation, following the approval of a High-level Roadmap by the Council of Ministers on March 4, 2021, and its endorsement by the Prime Minister at the Trust Fund's Steering Committee meeting of March 5, 2021. The High-level Roadmap sets deadlines for the preparation



<sup>19</sup> The project was approved on December 21, 2018 and became effective on January 31, 2019.



and disclosure of the Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) for landfill management, and the Resettlement Action Plan (RAP), which will define the resettlement options for the population living adjacent to the site. The Roadmap also includes high level milestones for additional activities for landfill management. As of end June 2021, significant progress has been made on the safeguards instruments and it is expected that the NRPB will finalize these instruments by end August 2021.

A legal agreement between VROMI and the SMHDF was signed on May 31, 2021, designating a specific site (the FOGA site) for resettlement from June 2021. The Government and NRPB are establishing the critical prerequisites to start resettlement, by consulting affected households prior to the finalization of the plan and reaching agreements on individual compensation packages for affected households/persons. Considering space and housing constraints on the island and a lack of resettlement experience by the government, the Government requires substantial support to develop the RAP and carry out the resettlement process in line with the World Bank policies. Support is being provided to finalize the RAP and the support of the specialized consulting firm will likely continue during implementation. The World Bank's safeguards team continues to provide extended support to ensure that process is carried out correctly, and to closely monitor progress to prevent further delays. The resettlement of the population at risk is essential prior to any landfill upgrading.

Although COVID-19 related challenges have delayed the shipping of equipment, the onboarding of technical experts, restricted consultant visits, and delayed safeguards consultations, project implementation is gradually catching up. The ship salvaging and shoreline cleaning activity started in March 2021 and is progressing steadily. The SC approved an additional financing of US\$25 million to cover existing financial gaps in ship salvaging and shoreline cleaning, the Temporary Debris Storage and Reduction (TDSR) facility, resettlement of the community adjacent to the landfill, and additional project management costs. Another US\$25 million have been set aside to finance work on the landfill once resettlement is complete.

## Results

During the reporting period, the ship salvaging and shoreline cleaning activity that will clean up to 109 shipwrecks and 10,500 km of shoreline, started in March 2021; 58 percent of the shipwrecks have been removed and 76% of shoreline cleaned. A waste-handler bulldozer, and front loader, were delivered to Sint Maarten in January and May 2020, respectively.

To strengthen waste and landfill management capacity and support the resettlement activities, the NRPB has recruited a resettlement expert and a project coordinator waste. A project engineer and a project manager have also been recruited. A high-level focal point was appointed with the mandate of the Council of Ministers and the support from the Netherlands to serve as a high-level interlocutor on the resettlement process. With support from the Netherlands, a waste technical team is being recruited to support VROMI on the institutional, legislative, and financial reforms foreseen by the Solid Waste Sector strategy and support their implementation.

The solid waste management technical studies were completed in May 2021 and provide the technical and strategic underpinning required to carry out sector reform. A Short-Term Plan for Waste Management, a Regional Market Study for Waste Management in the Caribbean, two prefeasibility studies (one on landfill recontouring, closing, and extension, and another on integrated waste management facility), and a country solid waste management sector assessment report were completed between 2019 and 2021, and handed over to the Government. A Long-Term waste management strategy and action plan was developed and presented to the Council of Ministers in March 2021. The Design-Build-Operate package for Municipal Solid Waste dumpsite and the Irma Debris Site and a Sector Financial Framework were delivered to the World Bank in May 2021 and will be handed over to the Government in August 2021, once the World Bank's comments are duly addressed.



A continuous concern for project implementation is the dearth of technical and policy capacity and counterparts for waste management at the Ministry of VROMI. This capacity is being addressed through hiring activities under way. The World Bank currently rates implementation progress under this project as unsatisfactory. However, the steps needed to redress its implementation as set out in the High-Level Roadmap have been adopted by the Government. Their timely completion would allow the World Bank to consider upgrading of the project's ratings.

### *Airport Terminal Reconstruction Project*

The Airport Terminal Reconstruction Project ATRP (US\$72 million) was approved on December 9, 2019 and became effective on April 21, 2020. It has leveraged an additional US\$50 million from the European Investment Bank and US\$7 million from the airport operating company to reconstruct the airport. The project has disbursed US\$17.8 million to date.

The ATRP finances the reconstruction of the airport terminal, capacity building and project management. It also supports the operational expenditure of Princess Juliana International Airport (PJIAE) (US\$21 million) in case of major external shocks during the reconstruction period. On April 4, 2020, an agreement with the airport's bondholders enabled the release of US\$72 million in insurance proceeds that were due to PJIAE, which they had held in escrow. These proceeds were released once the conditions for effectiveness of the project financed by SXM TF were completed. Approval of this project constitutes a key milestone for Sint Maarten's economic recovery. The airport project will finance the rebuilding and reequipping of the terminal of PJIAE to pre-Irma passenger capacity and improve its resilience against natural disasters. PJIAE is the main international airport that serves Sint Maarten and Saint Martin and an important regional hub, which before Hurricane Irma, carried 1.8 million passengers and 62,144 aircrafts per year.

### **Results**

During this reporting period, key pre-work activities were completed. The remediation/waste disposal contract (financed by PJIAE) was completed at the end of March 2021, and the close out report was approved on June 7, 2021. The supervision engineer contract (also financed by PJIAE) was awarded in September 2020. A request for bids for the main reconstruction work was issued in October 2020. This was followed by three amendments. Bids were opened on March 23, 2021. Four bids were received. At the end of the reporting period, the Bid Evaluation Report was being finalized.<sup>20</sup>

Liquidity for operational expenses was disbursed to the airport because of financial shortfalls created by the halt in tourism and lack of passenger traffic at the airport. Thus far, liquidity support has been verified and approved for Quarter 2, 2020 (\$3.19m); Quarter 3, 2020 (\$2.74m); and Quarter 4, 2020 (\$1.49m) on a reimbursement basis. Also, during this period, the Government of Sint Maarten took steps to ensure improved corporate governance at the airport holding company (PJIAH) and secured the continued support of the Royal Schiphol Group as a technical partner to PJIAE in the implementation of the project.

### *Red Cross Roof Repair Project*

The Red Cross Roof Repair Project (US\$3.75 million) was approved on December 30, 2019 and closed on December 31, 2020. The project was implemented by the Red Cross Netherlands (RCNL). The project repaired 182 damaged roofs up to a safe standard for vulnerable households affected by Hurricane Irma. The project increased local capacity in the construction sector by training more people in construction and employing them in construction crews, contributing to their economic recovery. The project



<sup>20</sup> At the time of publication of this report, the contract for the main reconstruction works under the ATRP has been awarded.

employed and supervised construction crews to repair the roofs with quality controls and in accordance with World Bank safeguard requirements.

Although works were halted for eight weeks from late March 2020 until late May 2020 due to the COVID-19 lockdown, work resumed in late May 2020, with enforcement of enhanced COVID-19 safety regulations. (Several crew members had tested positive for COVID-19.) To cover the cost of additional crews for the repair work additional financing of US\$162,000 was provided to support the RCNL in achieving its goal to repair the houses before the end of the calendar year.

## Results

Of the 182 households that received roof repairs, 75 were female-headed households. The Dutch Red Cross conducted a roof repair and roof strengthening workshop attended by 80 households with damaged houses and an exhibition on resilient roofs for the public. Sixty-three craftsmen were trained to become skilled local construction workers. The training in resilient construction received by these local individuals will help them continue safe construction techniques within their local community after the project is over.

The project closed at the end of 2020, having reached the 182 of the 200 households originally targeted despite the many challenges of reconstruction during the COVID-19 era. An Implementation Completion Report for the Project was published on June 30, 2021.

## *Enterprise Support Project*

The Enterprise Support Project ESP (US\$35 million) was signed in March 2020 and became effective on May 5, 2020. The project supports eligible micro, small, and medium enterprises (MSMEs) in accessing financing for asset replacement, nonstructural repairs, and working capital, channeled through local participating financial institutions (PFIs). As of June 15, 2021, the project disbursed US\$6.4 million, about 18 percent of the total project amount.

A large percentage of MSMEs have been unable to obtain financing from local commercial banks because they cannot meet the banks' collateral requirements, often because these were damaged in the hurricane and they had no insurance or were underinsured. Subject to an acceptable business plan, the ESP provides financial packages for eligible MSMEs in the form of a combination of grants and loans for assets and repairs, and stand-alone loans for working capital.

The World Bank and the NRPB channel the financing through PFIs to support eligible enterprises. The ESP was rolled out in August 2020 with the initial participation of two PFIs. A third PFI joined the project in November 2020 while other financial institutions have shown interest and may join if they meet the PFI eligibility requirements and apply to the NRPB for participation.

Even before the COVID-19 pandemic, lenders in Sint Maarten were providing limited financing to MSMEs, because of the prevailing high-risk environment and their difficulty in presenting acceptable collateral. This reluctance has now been further exacerbated by the new risks and impacts of the COVID-19 crisis. To mitigate this problem, a risk-sharing mechanism was introduced to incentivize lenders. The mechanism allows the project to partially absorb potential losses on loans from lenders, motivating them to lend to MSMEs while providing appropriate incentives for lenders to exercise adequate due diligence and care when underwriting and servicing MSME loans, selecting only viable MSMEs with solid business plans.

## Results

To inform MSMEs the project regularly offers information sessions. Radio commercials have run frequently, and the project website has been updated. Subsidiary agreements have been signed with

three financial institutions that are currently acting as PFIs in the project: Microfinanciering Nederland (Qredits), Windward Islands Bank, and Banco di Caribe. As of June 15, 2021, 53 firms have been approved to receive financing and 94 applications are in the pipeline at different stage of review. A project restructuring is under preparation to extend the project closing date from December 2024 into 2025. This extension will enable PFIs to extend longer loan tenors and reduce the beneficiaries' Debt Service Coverage Ratios. This is expected to further increase the number of beneficiaries, while offering them better financial conditions to grow their businesses.

### *Civil Society Partnership Facility for Resilience Project*

In May 2019, the SXM TF SC approved the creation of a CSO grant making facility. The project, now named Resources for Community Resilience (R4CR) in Sint Maarten received US\$7.2 million in financing.<sup>21</sup> The project was approved June 26, 2020 and was declared effective July 31, 2020. The objective of this project is to improve the capacity of local CSOs to support and implement reconstruction and resilience activities. The project also enhances the capacity of the CSOs through training activities. The RC4R is managed by VNG International (VNGI) and the project supports immediate community needs through a roll out of small grants to CSOs. VNGI opened its Sint Maarten office in February 2021. The project adopted COVID-19 safety measures to implement outreach workshops and training to recipient CSOs. The project has disbursed \$1.6 million for 24 grants to date, or about 20% of total project funds.

### **Results**

The project has held two calls for proposals (November 2020 and June 2021). Twelve CSOs were \$452,000 in the first round for services to the elderly, youth, and disabled persons, for minor upgrades to community spaces and environmental projects.

In mid-June 2021 another US\$ 567,000 were provided for 12 new grants focused on social assistance. These will provide psychosocial and emotional support, youth employment and skills development, day care and afternoon school services, programs addressing gender-based violence, recreation and sports, nature and environment and arts and culture activities.

VNGI delivered outreach sessions to 132 individuals, representing 94 CSO. Training was provided to CSOs in proposal submission, project management, and financial management. Ongoing implementation has revealed enormous capacity gaps within the local CSOs in developing preparing adequate proposals for funding, planning and project management, monitoring and evaluation and reporting. A first lessons learned event was organized by VNGI in June 2021 to support knowledge sharing and to address capacity gaps in financial and project management. Systematic capacity building guided by a capacity building plan will be launched in July 2021 to address the above challenges.

### *Child Resilience and Protection Project*

The Child Resilience and Protection Project (CRPP) aims to strengthen the capacity of Sint Maarten's education and child protection systems to respond to needs of children and adolescents because of natural disasters and external shocks. The Project was approved on January 22, 2021 and is implemented by UNICEF NL for US\$5 million, including a US \$512,000 Project Preparation Grant (approved in April 2020). The project has disbursed US\$755,421 in total to date.

To nurture children's and adolescents' well-being (Component 1), a school-based psychosocial screening tool is being developed to help teachers and care teams support or refer children in distress. The tool is



<sup>21</sup> The CSPFRP was approved on June 26, 2020 and became effective in July 2020.



part of a package of comprehensive psychosocial interventions that will be implemented at the school, family, and community levels. Psycho-social training for school's care teams, facilitated by MECYS, was delivered in April 2021. Programs providing psychosocial support to students' parents (on topics relating to coping during a natural disaster, dealing with financial hardship, positive parenting, and child protection) and a violence prevention program targeting schools, day-cares and after school programs are expected to start in the fall of 2021.

To strengthening the Child Protection Systems (Component 2), a child protection specialist has been hired and a firm contracted to provide training on child safety and rights for the key stakeholders from MECYS, VSA, and the Court of Guardianship. Four online workshops on child protection methodologies and approaches have been delivered. An assessment of the case management and referral systems for child abuse and neglect cases is being conducted to assess strengths and gaps. It will generate a road-map to strengthen the referral and case management for child abuse and neglect.

To strengthen the resilience of schools and MECYS to disasters (Component 3), the Education in Emergency (EiE) contingency strategy is being revised and aligned to the country's disaster management systems. It includes a communication protocol for schools during emergencies. A mobile application is being used to revise the school damage and needs assessment. It will facilitate data collection on staff preparedness prior to a natural hazard, and on potential damages after an emergency. A yearly assessment through this tool aims to capture existing stakeholder vulnerabilities and capacities. Training on emergency preparedness is being provided to schools' emergency teams. In parallel, a simulation exercise for selected schools is being prepared.

### *Digital Government Transformation Development (DGTP)*

Approved on March 18, 2021, the Digital Government Transformation Project (US\$12 million) aims to improve access and enhance the efficiency of selected public services for citizens and businesses, as well as the resiliency of government systems. The project is executed by the NRPB and the Ministry of General Affairs and will also strengthen the policy and regulatory environment and the institutional capacity of Government to develop and implement digital services. It will also support change management in the challenging environment of a small state. The project will put in place the platforms needed to enable the development of digital services and improve back-office functioning. These include platforms for digital payments, for interoperability, and a single digital sign-on mechanism. The project will also enable cloud services and digitization of key government records.

To support this project, studies, and technical assistance for up to US\$3 million are being executed by the World Bank. These focus on the development of (i) a digital transformation strategy to guide government's future information and communications technology (ICT) investments; (ii) an interoperability framework that will allow ministries to connect with one another and exchange data; and (iii) an assessment of the public service centers (PSCs) to improve the workflow and user-friendliness of the PSCs. To date, all three studies have been produced and drafts are being reviewed by the World Bank.

The Government and the NRPB are working to meet the project's effectiveness conditions. These include the nominations to the Government's Digital Leadership Team (DLT) at the Ministry of General Affairs. The DLT will steer the project, and its recruitment is underway. The selection of a management firm to support Government in project implementation is also underway. The firm will be responsible for working with government officials to support project implementation. The Project Operations Manual (POM) has been submitted to the Bank and has been deemed satisfactory as an effectiveness condition. With the evaluation of proposals for the Management firm completed and the hiring of a project manager to the DLT near completed. It is expected that the project will achieve effectiveness by the end of August 2021.

Three projects—a Fostering Resilient Learning Project, a Long-Term Solid Waste Management Project, and additional financing for the Emergency Debris Management Project—are being prepared to address key challenges in building resilience, as underlined in the NRRP, prioritized by the Government of Sint Maarten, and endorsed by the SXM TF SC. These projects are being prepared virtually, given the complexities of the COVID-19 pandemic environment and uncertainties related to travel. Projects under preparation are discussed below. Beyond these projects, the SC is expected to discuss the allocation of remaining funds under SXM TF later in the summer of 2021.<sup>23</sup>

### *Fostering Resilient Learning Project*

In July 2019, the SXM TF SC allocated an estimated US\$30 million to support the Government of Sint Maarten's 2018 Education Master Plan. The resources were aimed at (i) the rebuilding of safe and inclusive schools, (ii) restoring a community learning and cultural environment, and (iii) strengthening MECY's Management Information System. A Project Preparation Grant (PPG) for US\$1.8 million was approved in January 2021 to finance engineering and related studies. Project preparation has progressed slowly due to COVID-19 restrictions, capacity limitations and challenges in the coordination with project partners and the confluence of project preparation with a heavy stream of infrastructure activities under the ERP1 and the EDMP projects at NRPB, limiting capacity to prepare. This project is expected to be approved by end 2021.

### *Long-Term Solid Waste Management Project*

The Solid Waste Management and Environmental Improvement Project will aim to improve long-term waste management and environmental protection. Its broader objective will be to implement key elements of the government's long-term waste management strategy and its Roadmap for Sustainable Waste Management. The project will draw on long-term waste management studies that have identified sound, evidence-based, long-term solutions. In addition to identifying actions that can be undertaken immediately by the government to improve waste management practices and policy, the studies have filled significant knowledge gaps on basic waste data (for example, waste volume, composition, and origin), assessed the existing market for recycling and disposal of relevant types of wastes in the region, and proposed institutional, technical, financial, and regulatory solutions to waste reduction, processing, and disposal. Advancement on the EDMP will be a critical factor in the timing of the preparation for the launch for this project.<sup>24</sup> At end June 2021, underlying studies had been completed.



<sup>22</sup> Amounts provided are estimated and will be consolidated during the appraisal stage once the exact scope, components, and activities of the projects have been determined.

<sup>23</sup> Outcomes of the SC meeting of July 14, 2021 are summarized in the [Press Release](#) of July 15.

<sup>24</sup> The SC in its July 2021 meeting, has set aside a further \$25 million in additional financing to the EDMP to finance the DBO contract with a private operator that will recontour, partly close, and extend the existing MSW and Irma landfills. This AF is also expected to also finance further reforms and capacity building in the sector.



Several studies and critical analytical work were completed and shared with the government of Sint Maarten to inform project identification, preparation, and sector management. They are listed in table 4.4.

**Table 4.4 Analytical Work and Technical Assistance**

| Studies completed            |   | Completion Status* |
|------------------------------|---|--------------------|
| 1                            | Support to Develop National Recovery and Resilience Plan (report)             | Completed          |
| 2                            | Rapid Housing Sector Assessment (study)                                       | Completed          |
| 3                            | Airport Corporate Governance Assessment (study)                               | Completed          |
| 4                            | Sint Maarten Hospitality Reconstruction Financing Due Diligence (study)       | Completed          |
| 5                            | Tourism Sector Recovery Strategy Support (technical assistance with outputs)  | Completed          |
| 6                            | Public Expenditure Review   | Completed          |
| Ongoing technical assistance |   |                    |
| 7                            | Low-Income and Affordable Housing Technical Assistance (technical assistance) | Completed          |
| 8                            | Digital Government Strategy (technical assistance with outputs)               | Draft completed    |
| 9                            | Support to the Airport Corporate Governance Task Force (technical assistance) | Completed          |
| 10                           | National Risk Assessment (AML/CTF)(technical assistance)                      | Q1 CY2022          |
| 11                           | Long-term waste studies   | Completed          |
| Ongoing studies              |   | Estimated delivery |
| 12                           | Country Environmental Analysis (study)  | In draft           |

Note: AML = anti-money laundering; CTF = combating terrorist financing; CY = calendar year.

\* Estimated timelines for delivery are subject to change to meet operational requirements, government availability, and the effects of COVID-19.



# 5. Project Preparation and Implementation Issues and Solutions

## Program Implementation Capacity: Project Preparation, Implementation, and Overall Management of Resources

The NRPB has hired all key staff for project implementation. With approval from the SC, the SXM TF Program will explore options for long term sustainability of NRPB's program management, fiduciary and procurement skills built by the SXM TF, which can greatly benefit the Government over the long-term in its capacity gaps.

Currently, more than one-third of supervision resources are being allocated to World Bank fiduciary and safeguard support and 6 percent to hands on support in procurement and engineering. It is expected that the hands-on support can gradually decrease over time as NRPB will assume these functions.

Two critical preconditions for successful project implementation are, one, the ownership and commitment to the objectives of the SXM TF, and two, the participation of the Council of Ministers and line ministries in project preparation and implementation. The Government has engaged with NRPB and the World Bank to address bottlenecks in implementation and find corrective courses of action.

## Project Supervision Capacity

To provide further supervision and coordination support, World Bank staff and consultants continue to engage virtually with NRPB, government and other counterparts, both on Sint Maarten and in the Netherlands. Technical teams conduct virtual missions and will resume in-person missions hosted by the NRPB once the situation allows.

## Absorption Capacity and Regulatory Issues

NRPB has been diligent in engaging with local and regional firms and to encourage their participation in procurement activities. To date more than 66 percent of contracts being awarded to local firms for the projects in advanced implementation. International firms, that have won 34 percent in contracts. Access to the island remains dependent on the COVID -19 pandemic situation and global travel restrictions. The remoteness of Sint Maarten for international firms makes shipping supplies, recruiting staff, finding skilled local labor, and setting up local offices more expensive.

A lack of streamlined administrative arrangements to facilitate access and working on the island will likely continue to affect the pace of implementation. Current laws that restrict the hiring of temporary workers and contracting with international employees continue to be a significant obstacle for all projects. Safety measures related to COVID-19 (such as mandatory quarantines) are still in place and may delay implementation timelines.

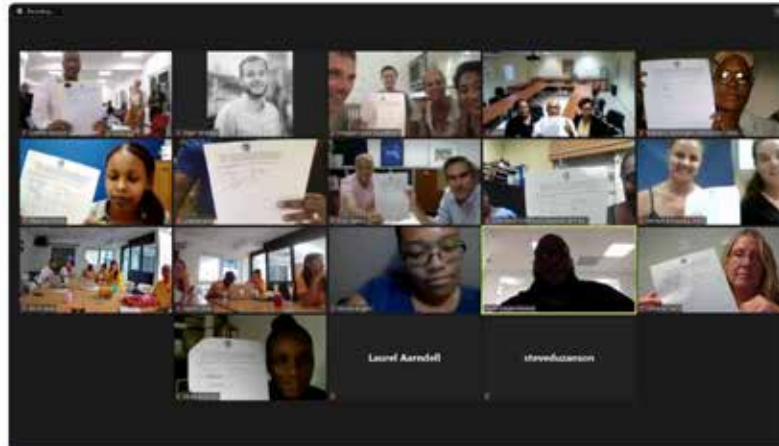


Recent News



**R4CR PRE-DISBURSEMENT TRAINING COMPLETE –TWELVE LOCAL PROJECTS READY TO START– JUNE 29TH 2021**

The Resources For Community Resilience (R4CR) program completed the pre-disbursement training with the twelve grant recipients of Quick Win round 2 on June 28. The "Quick Win rounds" have been designed for projects that can be completed within six months with a moderate budget (maximum \$16,000 per project in this round).



**R4CR OFFICIALLY LAUNCHES QUICK WIN ROUND 2 –US\$564,289 IN GRANTS APPROVED FOR LOCAL PROJECTS – JUNE 21ST 2021**

The Resources For Community Resilience (R4CR) program officially launched "Quick Win round 2" on June 18 in a virtual signing ceremony with several dignitaries in attendance including the honorable Prime Minister Silvana Jacobs.

# 6. Outreach and Communications

As the SXM TF program results develop overtime, the program is stepping up its media coverage and engaging with audiences on social media platforms, print news, radio, and websites. The SXM TF dashboard ([www.sintmaartenrecovery.org](http://www.sintmaartenrecovery.org)) and NRPB website ([www.nrpbsxm.org](http://www.nrpbsxm.org)) are regularly updated to inform stakeholders, including government officials, private sector, NGOs, the media, members of parliament, and the general public, about SXM TF activities and advancement.

Several World Bank video productions were published on [sintmaartenrecovery.org](http://sintmaartenrecovery.org). For example, on International Women's Day, a video was produced to share the stories of female SXM TF advocates. A Digital Government Transformation Project video explained the Government's vision for the project. A blog about the housing study and an infographic on the 2020 Annual Report were also published on the World Bank Sint Maarten website.

Individual project communications teams also engaged in their own outreach efforts to stakeholders on the ground. SMMC released a video that takes viewers on a virtual tour of the new hospital (Take a virtual tour of the new [St. Maarten General Hospital \(SMGH\)! - YouTube](#)) and provided regular Facebook updates to the public about progress and the COVID-19 facility (which is partially funded by the SXM TF). The RC4R project has been very active on social media, promoting new and progressing CSO projects funded through the CSO Facility ([Resources for Community Resilience - Sint Maarten \(r4cr.org\)](http://Resources for Community Resilience - Sint Maarten (r4cr.org))). The PJIAE communications team efforts included a public outreach zoom meeting explaining the airport's financing, a virtual tour of the new terminal building, and the first edition of "[Rebuild, Recover, Reinvent](#)" – a monthly online TV series. The Prime Minister has also communicated on the SXM TF in her TV show called, *the Prime Minister Talks*, on the ESP project and on the Airport project.<sup>25</sup>



<sup>25</sup> (<https://www.facebook.com/SXMG0V/videos/171637751521109/> and part2: <https://www.facebook.com/SXMG0V/videos/935136910394309/>)



# Alignment of NRRP and SXM TF Activities

| Pillar 1: Community Recovery and Resilience   |  |
|---|--|
| NRRP-Listed Areas of Engagement   | Projects and Analytical Work   |
| <p><b>Housing</b></p> <ul style="list-style-type: none"> <li>• Provide repair assistance</li> <li>• Increase access to affordable housing</li> <li>• Strengthen housing for climate resilience</li> <li>• Facilitate ownership</li> </ul>   | <p><b>Housing-related activities</b></p> <ul style="list-style-type: none"> <li>• <b>Emergency Recovery Project I:</b> Social and private housing repairs, roof repairs, and technical assistance for housing policy and resilience standards</li> <li>• <b>Red Cross Roof Repairs Project:</b> support for the rehabilitation of the roofs of the most vulnerable households</li> <li>• Rapid Housing Sector Assessment (ASA); Low-Income and Affordable Housing Reconstruction Analysis (ASA)</li> </ul>                   |
| <p><b>Health</b></p> <ul style="list-style-type: none"> <li>• Resilient hospital construction</li> <li>• Enhancing secondary health care services</li> <li>• Ensuring sustainable continuity of insurance coverage</li> </ul>   | <p><b>Health-related activities</b></p> <ul style="list-style-type: none"> <li>• <b>Hospital Resiliency and Preparedness Project:</b> Repairs and upgrading of existing hospital, construction of a new hospital to hurricane 5 resistant standards, and financing of medical equipment and infrastructure for COVID-19 pandemic needs</li> <li>• Public Expenditure Review (ASA analysis of health insurance cost and sustainability)</li> </ul>  |
| <p><b>Employment, livelihoods, and social protection</b></p> <ul style="list-style-type: none"> <li>• Strengthen social assistance through trainings and programs to supplement household income</li> <li>• Build additional shelters</li> <li>• Improve social services and their targeting</li> </ul> | <p><b>Social Protection and Emergency Recovery Related Activities</b></p> <ul style="list-style-type: none"> <li>• <b>Emergency Recovery Project I:</b> Rehabilitation of 11 public shelters</li> <li>• <b>Emergency Income Support and Training Project:</b> Stipends, training and improvement of targeted social services by building an integrated social registry system</li> </ul>   |
| <p><b>Solid waste</b></p> <ul style="list-style-type: none"> <li>• Remove debris caused by Hurricane Irma and address dump fires</li> <li>• Implement recycling program to reduce waste</li> <li>• Upgrade sewage networks</li> </ul>   | <p><b>Solid waste-related activities</b></p> <ul style="list-style-type: none"> <li>• <b>Emergency Debris Management Project:</b> Debris clearance, collection of metal and car wrecks; processing and disposal of debris; vessel removal and salvaging</li> <li>• Long-term Waste Solutions Analysis (ASA): Support for the development of government's roadmap for sustainable solid waste management</li> <li>• <b>Long-Term Solid Waste Management Project</b> (planned): Investments in long- term solutions</li> </ul> |

### Pillar 1: Community Recovery and Resilience (cont.)

| NRRP-Listed Areas of Engagement  | Projects and Analytical Work  |
|--|---|
| <b>Education</b> <ul style="list-style-type: none"> <li>• Repair and rebuild resilient schools, provide psychosocial support, improve safety and preparedness</li> <li>• Strengthen legislation for resilience</li> <li>• Train teachers in disaster management</li> <li>• Strengthen programs for vulnerable children</li> <li>• Improve vocational and tertiary education options</li> </ul> | <b>Education-related activities</b> <ul style="list-style-type: none"> <li>• <b>Emergency Recovery Project I:</b> Repair of schools and community facilities</li> <li>• <b>Fostering Resilient Learning Project</b> (pipeline)</li> <li>• <b>Child Resilience and Protection Project:</b> Strengthening of psychosocial support for children</li> </ul>                       |
| <b>Environment</b> <ul style="list-style-type: none"> <li>• Rehabilitate and protect natural and built environments</li> <li>• Strengthen environmental protection</li> </ul>  | <b>Environment-related activities</b> <ul style="list-style-type: none"> <li>• <b>Solid Waste Management and Environmental Improvement Project</b> (planned)</li> <li>• <b>Emergency Debris Management Project:</b> Shoreline clean-up, beautification of public areas, focusing on debris removal and landscaping</li> <li>• Country Environmental Analysis (ASA)</li> </ul> |
| <b>Community recovery</b>  | <ul style="list-style-type: none"> <li>• <b>St Maarten Civil Society Partnership Facility for Resilience Project</b></li> </ul>   |

### Pillar 2: Economic Recovery and Resilience

| NRRP-Listed Areas of Engagement   | SXM TF Projects and Analytical Work  |
|---|--|
| <b>Macroeconomic outlook</b> <ul style="list-style-type: none"> <li>• Strengthen Government capacity for tax collection and fiscal policy formulation</li> </ul>  | <b>Macroeconomic-related activities</b> <ul style="list-style-type: none"> <li>• Public Expenditure Review (ASA)</li> <li>• National Risk Assessment (ASA and technical assistance)</li> </ul>   |
| <b>Tourism and commerce</b> <ul style="list-style-type: none"> <li>• Secure and strengthen resilience of tourism sector</li> <li>• Assist in diversifying the economy by supporting micro, small- and medium-size enterprises (SMEs)</li> </ul> | <b>Tourism and commerce-related activities</b> <ul style="list-style-type: none"> <li>• <b>Enterprise Support Project:</b> Access to finance for micro, small, and medium enterprises (MSMEs)</li> <li>• Tourism sector recovery strategy support (ASA)</li> <li>• Sint Maarten hospitality reconstruction financing due diligence (ASA)</li> <li>• SME and tourism recovery (ASA); analysis of tourism support needs</li> </ul> |
| <b>Finance</b> <ul style="list-style-type: none"> <li>• Increase access to credit and affordable investment capital</li> </ul>  | <b>Finance-related activities</b> <ul style="list-style-type: none"> <li>• <b>Enterprise Support Project:</b> Financial intermediaries are supported to provide greater access to finance for MSMEs</li> </ul>   |
| <b>Airport</b> <ul style="list-style-type: none"> <li>• Repair and rebuild airport for greater resilience</li> </ul>  | <b>Airport-related activities</b> <ul style="list-style-type: none"> <li>• <b>Airport Terminal Reconstruction Project</b></li> </ul>   |
| <b>Ports and marinas</b> <ul style="list-style-type: none"> <li>• Restore ports and marinas while ensuring greater resilience</li> </ul>  | <b>Ports and marinas-related activities</b> <ul style="list-style-type: none"> <li>• <b>Emergency Debris Management Project:</b> Vessel removal and salvaging</li> </ul>   |
| <b>Roads and drainage</b> <ul style="list-style-type: none"> <li>• Improve the drainage network in communities with recurrent flooding</li> </ul>   | <b>Roads and drainage-related activities</b> <ul style="list-style-type: none"> <li>• n.a.</li> </ul>  |



### Pillar 2: Economic Recovery and Resilience (cont.)

| NRRP-Listed Areas of Engagement  | SXM TF Projects and Analytical Work  |
|--|--|
| <b>Utilities and information and communication technology (ICT)</b> <ul style="list-style-type: none"> <li>Improve delivery of water, electricity, and ICT Services</li> </ul> | <b>Utilities and ICT-related activities</b> <ul style="list-style-type: none"> <li><b>Emergency Recovery Project I:</b> Water storage and distribution, trenching of electricity lines and Electricity repairs</li> <li><b>Digital Government Transformation Project:</b> Improve public service centers and government systems</li> <li>Digital transformation ASA to support analytical work underpinning Digital Government Transformation Project</li> </ul> |

### Pillar 3: Government Recovery and Resilience

| NRRP-Listed Areas of Engagement  | SXM TF Projects and Analytical Work  |
|--|--|
| <b>Disaster risk management</b> <ul style="list-style-type: none"> <li>Strengthen the National Meteorological Service</li> <li>Strengthen and repair communications of the fire department</li> <li>Membership into the Caribbean Disaster Emergency Agency</li> <li>Develop a risk-financing strategy and join Caribbean Catastrophe Risk Insurance Facility</li> </ul> | <b>Disaster risk management-related activities</b> <ul style="list-style-type: none"> <li><b>Emergency Recovery Project I:</b> Police station repairs, fire department communication equipment and repairs, capacity building, improvement of hydrometeorological services; accession into CCRIF</li> <li>Knowledge-sharing about risk financing with other Caribbean countries</li> <li>LIDAR survey</li> </ul> |
| <b>Governance and public financial management</b> <ul style="list-style-type: none"> <li>Implement government financial management information system</li> <li>Modernize ICT systems</li> <li>Implement tax reform</li> <li>Rebuild the tax receivers and registry building</li> </ul>   | <b>Governance and financial management-related activities</b> <ul style="list-style-type: none"> <li>Public Expenditure Review (ASA): Analysis of public expenditures and systems</li> <li><b>Digital Government Transformation Project:</b> Modernize ICT back systems and services</li> <li><b>Corporate Governance Strengthening—Airport:</b> ASA and technical assistance</li> </ul>                         |
| <b>Justice, public safety, and security</b> <ul style="list-style-type: none"> <li>Repair and strengthen correctional facilities and police stations</li> <li>Relocate and equip the 911 dispatch center</li> <li>Properly equip law enforcement staff</li> <li>Address critical ICT needs</li> </ul>  | <b>Justice, public safety, and security-related activities</b> <ul style="list-style-type: none"> <li><b>Emergency Recovery Project I:</b> Repair two police stations and extension of the Emergency Operations Center, repair of radiosonde building</li> </ul>   |
| <b>Additional public buildings</b> <ul style="list-style-type: none"> <li>Repair other public buildings such as the post office, national library, and the national civil aviation building</li> </ul>   | <b>Additional public buildings-related activities</b> <ul style="list-style-type: none"> <li><b>Emergency Recovery Project I:</b> Repairing key government buildings</li> </ul>  |

Note: Projects under implementation are in **bold**. Projects under preparation are in **orange**. ASA = advisory services and analytics.

## APPENDIX B

# Results Framework: Projects under implementation as of June 30, 2021

| Emergency Recovery Project I   | Emergency Income Support and Training Project  | Hospital Resiliency and Preparedness Project   | Emergency Debris Management   |
|--|--|--|---|
| <p><b>Development objective:</b> To contribute to Sint Maarten's immediate emergency recovery needs and strengthen institutional capacity to manage resilient recovery and reconstruction</p>  | <p><b>Development objective:</b> To provide temporary income support, improve the employability of affected beneficiaries in targeted sectors, and strengthen the social protection system's capacity for shock response and protection of the poor</p>  | <p><b>Development objective:</b> To improve the preparedness and capacity of hospital services</p>   | <p><b>Development objective:</b> To manage debris from the hurricane and reconstruction activities*</p>   |
| <ul style="list-style-type: none"> <li>• <b>Outcome indicator 1:</b> Share of households with electrical services resilient to hurricanes<br/>Baseline: 80%<br/>Target: 93%<br/>Actuals: 86%</li> </ul>  | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 1:</b> Number of beneficiaries enrolled in the EISTP receiving income support on a monthly basis in exchange for their participation in EISTP training and achieved the minimum attendance rate<br/>Baseline: 727 (of which 420 are female)<br/>Target: 1,155 (of which 670 are female)<br/>Actuals: 1,960, of which 1,350 are female</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 1:</b> Overseas medical referrals reduced (percentage)<br/>Baseline: 0<br/>Target: 45%<br/>Actuals: 92%</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 1:</b> Number of metal wrecks collected and processed<br/>Baseline: 0<br/>Target: 100<br/>Actuals: 0</li> </ul>                 |
| <ul style="list-style-type: none"> <li>• <b>Outcome indicator 2:</b> Water storage capacity of Sint Maarten utility (average daily demand)<br/>Baseline: 0.7 days<br/>Target: 2 days<br/>Actuals: 1.03 days</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 2:</b> Percentage of beneficiaries who complete training in an occupational area<br/>Baseline: 0<br/>Target: 50% (of which half are female)<br/>Actuals: 93% of total (62% female)</li> </ul>  | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 2:</b> Emergency Disaster Preparedness Plan and Evacuation Plan implemented according to procedures (percentage)<br/>Baseline: 60%<br/>Target: 90%<br/>Actuals: 91%</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 2:</b> Simpson bay area cleared from shipwrecks and shoreline debris<br/>Baseline: 0<br/>Target: 109<br/>Actuals: 63</li> </ul> |
| <ul style="list-style-type: none"> <li>• <b>Outcome indicator 3:</b> Number of citizens benefited from the project activities (gender disaggregated)<br/>Baseline: 0<br/>Target: 40,000<br/>Actuals: 980 (direct beneficiaries), Indirect beneficiaries (NYR)</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 3:</b> Number of records in the Social Registry<br/>Baseline: 0<br/>Target: 1,000<br/>Actuals: 0</li> </ul>  | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 3:</b> Technical audits to evaluate quality and preparedness of service delivery rated satisfactory (percentage)<br/>Baseline: 0<br/>Target: 90%<br/>Actuals: 0</li> </ul>     | <ul style="list-style-type: none"> <li>• <b>Outcome indicator 3:</b> Debris and Waste Processing Facility Established<br/>Baseline: 0<br/>Target: yes<br/>Actuals: NYR</li> </ul>             |
| <ul style="list-style-type: none"> <li>• <b>Outcome indicator 4:</b> Percentage of beneficiaries that are satisfied with the quality of housing repairs (gender disaggregated)<br/>Baseline: 0<br/>Target: 80%<br/>Actuals: 0 (NYR)</li> </ul>                           |  |  |   |

\*project development objectives changed due to project restructuring

Note: NYR = Not yet reported.

### Airport Terminal Reconstruction Project

**Development objective:** To restore the passenger capacity of Princess Juliana International Airport (PIJAE) to pre-Irma levels with improved resilience to hurricanes

• **Outcome indicator 1:** Passenger handling capacity of the terminal  
Baseline: 1 million  
Target: 2.5 million  
Actuals: 1 million

• **Outcome indicator 2:** Resistance of terminal building to Irma-level hurricanes  
Baseline: No  
Target: Yes  
Actuals: Ongoing

• **Outcome indicator 3:** Completion of package 2 terminal reconstruction works  
Baseline: 0  
Target: 100%  
Actuals: 0%

• **Outcome indicator 4:** Installation of strengthened jet bridges  
Baseline: No  
Target: Yes  
Actuals: No

• **Outcome indicator 5:** Installation of resilient entrance doors  
Baseline: No  
Target: Yes  
Actuals: Ongoing

• **Outcome indicator 6:** Restoration of baggage handling system  
Baseline: No  
Target: Yes  
Actuals: No

• **Outcome indicator 7:** PIJAE submits quarterly reports describing claims received through the Grievance Redress Mechanism and how issues were resolved  
Baseline: No  
Target: Yes  
Actuals: Yes

### Red Cross Roof Repair Project\*

**Development objective:** To repair roofs up to a safe standard for vulnerable households affected by Hurricane Irma

• **Outcome indicator 1:** Roofs repaired to safe standards, contributing to increased resilience to natural disasters and climate change  
Baseline: 0  
Target: 200  
Actuals 182

• **Outcome indicator 2:** Households have increased knowledge of hurricane-resistant housing  
Baseline: 0%  
Target: 60%  
Actuals 60%

Note: NYR = Not yet reported.

\*project closed

### Enterprise Support Project

**Development objective:** To support the recovery of micro, small, and medium sized enterprises (MSMEs) through direct financial assistance to contribute to the restoration of economic activity

• **Outcome indicator 1:** Cumulative number of MSMEs receiving packages for assets, repairs or working capital  
Baseline: 0  
Target: 600  
Actual: 53

• **Outcome indicator 2:** Cumulative number of women-owned or -managed MSMEs receiving packages for assets, repairs, or working capital  
Baseline: 0  
Target: 240  
Actuals: 16

• **Outcome indicator 3:** Volume of grants and loans supported through the project over its lifetime  
Baseline: 0  
Target: US\$33 million  
Actuals: 4.2M

• **Outcome indicator 4:** Volume of grants and loans supported through the project to women-owned or -managed MSMEs over its lifetime  
Baseline: 0  
Target: US\$13.2 million  
Actuals: 1.5M

### RC4R - CSO Partnership for Resiliency Project

**Development objective:** To improve the capacity of civil society organizations and support implementation of reconstruction and resilience subprojects at the community level

• **Outcome indicator 1:** Percentage of subprojects approved which are fully implemented and functional to users  
Baseline: 0  
Target: 75%  
Actual: ongoing

• **Outcome indicator 2:** Percentage of civil society organizations participating in the project with improved capacity for grant management and implementation  
Baseline: 0  
Target: 70%  
Actuals: ongoing

• **Outcome indicator 3:** Percentage of beneficiaries expressing satisfaction that subprojects reflected their needs  
Baseline: 0  
Target: 75%  
Actuals: NYR

• **Outcome indicator 4:** Number of beneficiaries of subprojects  
Baseline: 0  
Target: 10,000  
Actuals: 1,970

### Child Resilience and Protection

**Development objective:** To strengthen the capacity of the education and child protection systems to address and respond to the needs of children and adolescents resulting from natural disasters and external shocks.

- **Outcome indicator 1:** Project beneficiaries suffering from post-hurricane distress symptoms referred to adequate services (percentage)

Baseline: 0

Target: 100%

Actuals: NYR

- **Outcome indicator 2:** Implementation of the Integrated Child Protection Case Management system

Baseline: 0

Target: 90%

Actuals: NYR

- **Outcome indicator 3:** Implementation of a contingency strategy for the sector

Baseline: 0

Target: 95%

Actuals: NYR

### Digital Transformation

**Development objective:** To enhance the access, efficiency, and resilience of selected administrative public services for citizens and businesses.

- **Outcome indicator 1:** Increase in Certificate of Good Conduct service transactions processed digitally (disaggregated by sex/vulnerable group)(cumulative)

Baseline: 0%

Target: 10%

Actuals: NYR

- **Outcome indicator 2:** Increase in economic license applications processed within a six-week period (cumulative)

Baseline: 16%

Target: 65%

Actuals: 16%

- **Outcome indicator 3:** Registries connected with the interoperability platform (cumulative)

Baseline: 0

Target: 5

Actuals: NYR

- **Outcome indicator 4:** Increase in the time per year that the six selected public services are available to the public

Baseline: 15%

Target: 99%

Actuals: 15%

Note: NYR = Not yet reported.

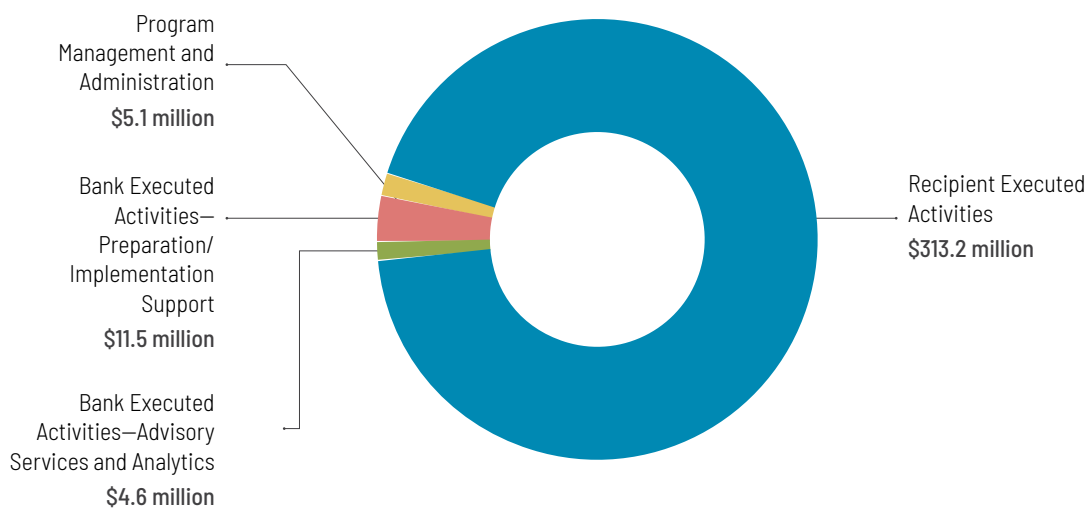
# APPENDIX C

## Financial Overview as of June 2021

### Introduction

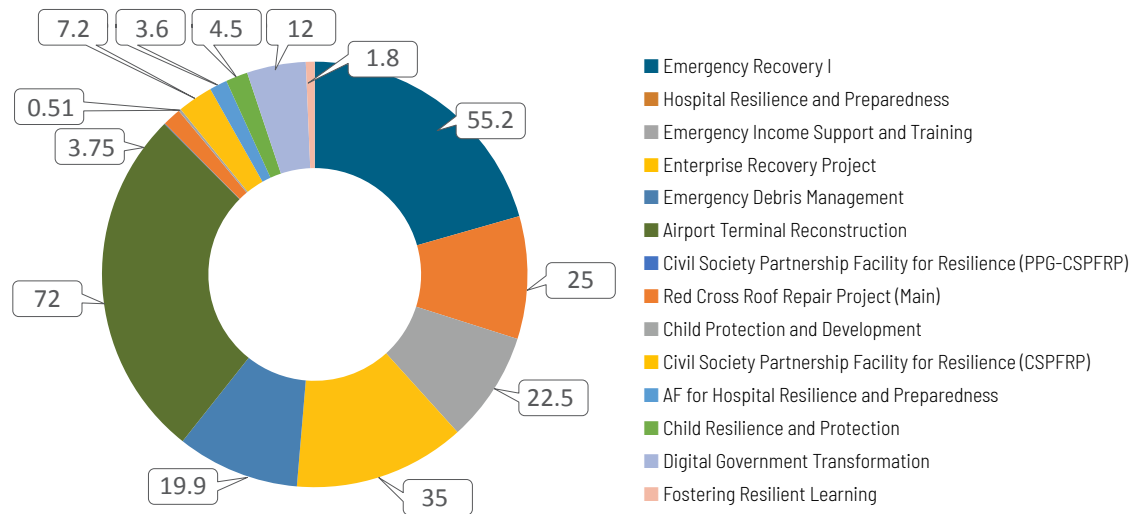
Total contributions from the Netherlands to the SXM TF for the period April 2018 through June 2021 amounted to US\$414.5 million, paid in April, November 2018 and December 2020. Total disbursements (for operations and administration) reached US\$140.4 million and undisbursed funds US\$194.0 million. The disbursements in January–June 2021 totaled US\$30.4 million. After adjusting for investment income and the administration fee, the TF balance is US\$145.6 million, from contributions which will be allotted to confirmed activities.

**Figure C.1 Allocation of Funds (US\$, million)**

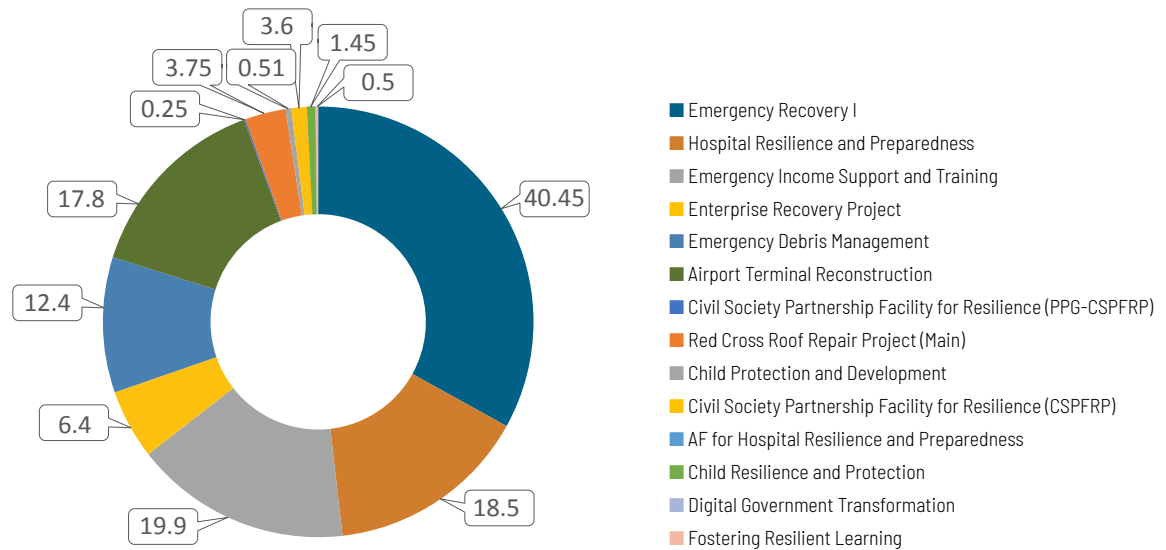


Funds allocated directly to operations, analytical work, and client support (recipient-executed activities, advisory services and analytics, and preparation and implementation activities) totaled US\$334.4 million, and US\$5.1 million has been allocated to program management and administration to date (see Figures C.1 and C.2). Of the operational allocations made, US\$59.7 million was allocated in January–June 2021 for recipient executed and World Bank executed activities.

**Figure C.2 Allocation to Recipient-Executed Activities (US\$, million)<sup>26</sup>**



**Figure C.3 Disbursement of Recipient-Executed Activities (US\$, million)<sup>27</sup>**



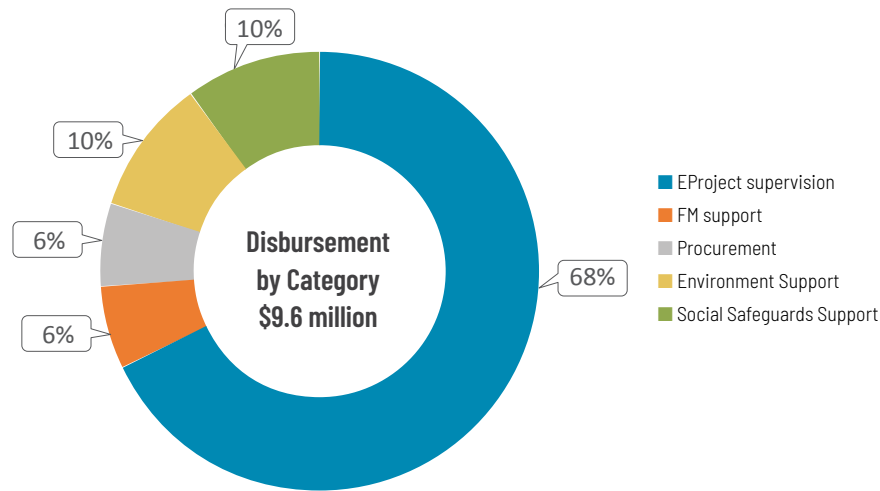
Note: m = million, k = thousand.

Recipient-executed activities (investment projects) have been allotted US\$313.2 million in funding for 11 projects through 14 grants. Funds disbursed by these grants amounted to US\$122.4 million, of which US\$28.1 million were in January–June 2021. A further US\$190.8 million remains available for disbursement under effective projects. The projects include (see Figure C.3): (1) Emergency Recovery I, (2) Hospital Resiliency & Preparedness Project, (3) Emergency Income Support and Training, (4) Enterprise Recovery Project (renamed Enterprise Support Project), (5) Emergency Debris Management, (6) Airport Terminal Reconstruction Project, (7) Civil Society Partnership Facility for Resilience Project, (8) Red Cross Roof Repair Project, (9) Child Protection and Development Project, (10) Digital Government Transformation Project, (11) Fostering Resilient Learning Project.

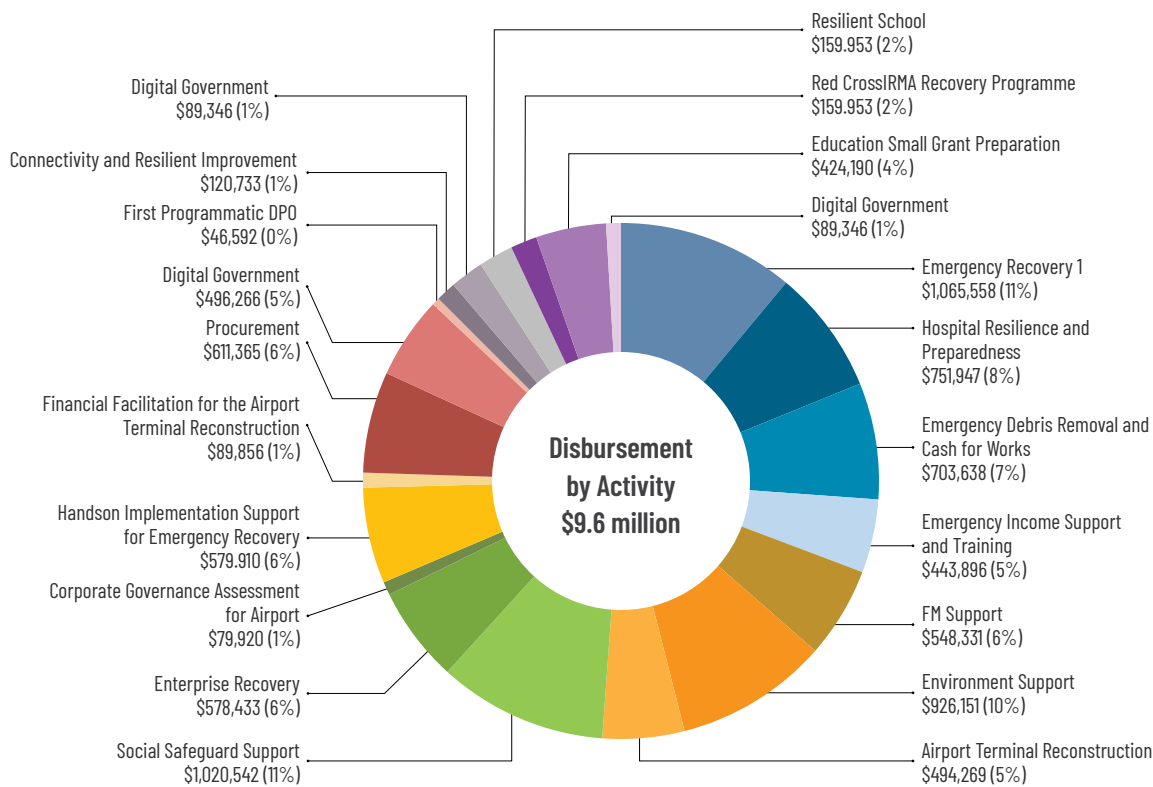
<sup>26</sup> Allocations for CSPFRP appears twice because it reflects two grants: One for the PPG (US\$0.147M) and one for the main grant (US\$7.2 M). Child Protection and Development appears twice to reflect two grants: One for the PPG (US\$0.51M) and one for the main grant (US\$4.5M).

<sup>27</sup> Disbursements for CSPFRP appears twice because it reflects two grants: One for the PPG (US\$0.5M) and one for the main grant (US\$1.45 M). Child Protection and Development appears twice to reflect two grants: One for the PPG (US\$0.51M) and one for the main grant (US\$7.5M).

**Figure C.4 Disbursement of Preparation and Implementation Support Activities by Category (US\$, million)**



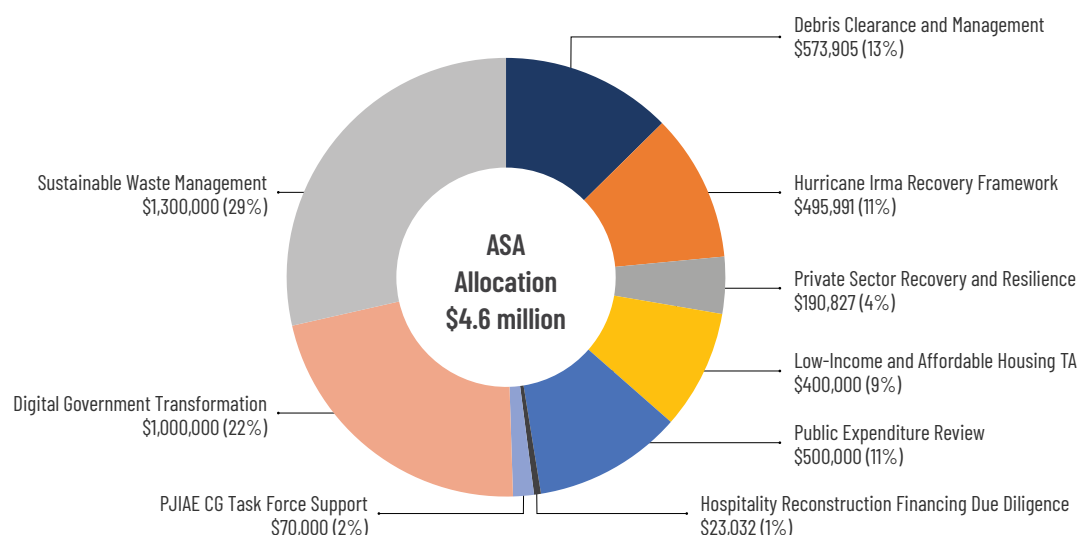
**Figure C.5 Proportional Disbursements by Preparation and Implementation Support Activity (US\$, million)**



Bank-executed preparation and implementation support funds were allotted to twenty-one tasks. Total disbursements were US\$9.6 million (see figures C.4 and C.5), of which US\$1.3 million was in the period January to June 2021, with a further US\$1.9 million in undisbursed funds yet to be spent. Sixty-eight percent of funds were allocated to project supervision. Support to safeguards, procurement, and financial management, including hands-on-support (6 percent), amounted to 38 percent of the total expenditures for preparation and supervision.

## Allocations for Bank-Executed Advisory Services and Analytical Activities

**Figure C.6 Proportional Advisory Services and Analytics Allocations (US\$, million)**



Note: TA = technical assistance, PJIAE = Princess Juliana International Airport.

In April 2018 – June 2021, bank-executed advisory services and analytical activities were allotted funding in nine grants (see figure C.6). They are: (1) Debris Clearance and Management (funding for environmental and firefighting expertise), (2) Hurricane Irma Recovery Framework (retroactive funding for the development of the NRPP), (3) Private Sector Tourism Recovery and Resilience, (4) Low-income and Affordable Housing Technical Assistance, (5) Public Expenditure Review, (6) Hospitality Reconstruction Financing Due Diligence, (7) Princess Juliana International Airport Corporate Governance Task Force Support, (8) Digital Government Transformation, and (9) Sustainable Waste Management. Funds disbursed so far under these grants amounted to US\$3.5 million, of which US\$0.3 million was in January–June 2021, with another US\$1.0 million in undisbursed funds.

**Table C.1 Disbursements as of June 30, 2021**

|   |                        |
|---|------------------------|
| Funds committed by government of the Netherlands (up to)                | US\$554,246,800        |
| Funds received from government of the Netherlands                       | US\$414,475,800        |
| Investment income   | US\$13,700,356         |
| Administration fee  | US\$7,687,316          |
| <b>Total disbursements</b>  | <b>US\$140,356,913</b> |
| Operational (RETF and BETF)   | US\$135,551,468        |
| Nonoperational (PM&A)   | US\$4,805,446          |
| <b>Total undisbursed funds</b>  | <b>US\$193,984,028</b> |
| Operational (RETF and BETF)   | US\$193,649,474        |
| Nonoperational (PM&A)   | US\$334,554            |
| Funds available for disbursement and allocation of confirmed activities | US\$145,600,956        |
| Funds outstanding from government of the Netherlands (up to)            | US\$139,771,000        |

Note: RETF = recipient-executed trust fund, BETF = bank-executed trust fund, PM&A = Program Management and Administration.



**Table C.2 Summary of Disbursements for Activities**

| Activity     | Budget allocated**     | April 2018–June 2021 disbursements | Undisbursed funds at end of June 2021 |
|--------------|------------------------|------------------------------------|---------------------------------------|
| <b>Total</b> | <b>US\$334,442,104</b> | <b>US\$140,356,913</b>             | <b>US\$193,984,028</b>                |

|  | Budget allocated**     | April 2018–June 2021 disbursements | Undisbursed funds at end of June 2021 |
|--|------------------------|------------------------------------|---------------------------------------|
| <b>Recipient-executed activities</b>   | <b>US\$313,202,923</b> | <b>US\$122,431,397</b>             | <b>US\$190,771,526</b>                |
| TF0A8079 Emergency Recovery I  | US\$55,200,000         | US\$40,452,831                     | US\$59,747,168                        |
| TF0B5199 Including Additional Financing  | US\$45,000,000         |                                    |                                       |
| TF0A8176 Hospital Resiliency and Preparedness                                  | US\$28,610,000         | US\$18,558,367                     | US\$10,051,633                        |
| TF0B3788 Including Additional Financing  |                        |                                    |                                       |
| TF0A8265 Emergency Income Support and Training                                 | US\$22,500,000         | US\$19,909,980                     | US\$2,590,020                         |
| TF0A9223 Enterprise Support Project  | US\$35,000,000         | US\$6,403,850                      | US\$28,596,150                        |
| TF0A9261 Emergency Debris Management   | US\$25,000,000         | US\$12,441,493                     | US\$12,558,507                        |
| TF0B0760 Airport Terminal Reconstruction                                       | US\$72,000,000         | US\$17,800,071                     | US\$54,199,929                        |
| TF0B2442 Red Cross Roof Repair Project (Main and Additional Finance)           | US\$3,745,130          | US\$3,745,130                      | 0                                     |
| TF0B3014 Civil Society Partnership Facility for Resilience (CSPFRP) including  | US\$7,200,000          | US\$1,602,252                      | US\$5,745,540                         |
| TF0B2229 Project Preparation Grant   | US\$147,867            |                                    |                                       |
| TF0B4140 Child Resilience and Protection                                       | US\$4,488,000          | US\$1,267,421                      | US\$3,732,578                         |
| Including  |                        |                                    |                                       |
| TF0B2513 Project Preparation Grant   | US\$512,000            |                                    |                                       |
| TF0B4914 Grant for the Preparation of the Fostering Resilient Learning Project | US\$1,800,000          | US\$250,000                        | US\$1,550,000                         |
| TF0B4218 Digital Government Transformation Project                             | US\$12,000,000         | 0                                  | 12,000,000                            |

|   | Budget allocated**    | April 2018–June 2021 disbursements | Undisbursed funds at end of June 2021 |                       |
|---|-----------------------|------------------------------------|---------------------------------------|-----------------------|
|   |                       |                                    | Commitments                           | Available             |
| <b>Bank-executed activities</b>               |                       |                                    |                                       |                       |
| <b>Advisory services and analytics</b>        | <b>US\$4,553,755</b>  | <b>US\$3,477,295</b>               | <b>US\$273,006</b>                    | <b>US\$803,454</b>    |
| <b>Preparation and implementation support</b> | <b>US\$11,499,464</b> | <b>US\$9,642,776</b>               | <b>US\$398,251</b>                    | <b>US\$ 1,458,438</b> |
| <b>Program management and administration</b>  | <b>US\$5,140,000</b>  | <b>US\$4,805,446</b>               | <b>US\$88,187</b>                     | <b>US\$246,368</b>    |

\*Bank-executed available balance means total budget minus disbursements and commitments.

\*\*Please note that in line with WB accounting systems, this allocated budget table does not yet show the approved Digital Government Transformation (US\$12 million), as this was not yet accounted as effective as of June, 30, 2021.

# APPENDIX D

## SXM TF Governance Structure

The SXM TF is a tripartite partnership among the Government of Sint Maarten, the Government of the Netherlands, and the World Bank.

### *Steering Committee*

The SXM TF is governed by a three-person steering committee (SC) composed of representatives of the Government of Sint Maarten, the Government of the Netherlands, and the World Bank. The SC on SXM TF makes allocations by consensus for the funding of short-, medium- and long-term recovery projects and required capacity-building activities.

The members of the SC are:

- Sint Maarten: The Honorable Marcel Gumbs, Former Prime Minister
- The Netherlands: Mr. Frans Weekers, Deputy Secretary General, BENELUX Union
- World Bank: Ms. Lilia Burunciuc, Country Director for the Caribbean

Additionally, a technical working group composed of technical staff drawn from each of the three parties prepares the work of the SC meetings, and convenes on a regular basis to discuss the program's results and challenges, act to resolve pending issues, resolve differences, or clarify information.

The World Bank's program manager heads the secretariat of the SXM TF on behalf of the World Bank.

### *In Sint Maarten*

The NRPB, which manages the recovery on the ground, was created by law in Sint Maarten. Its staff consists of employees and consultants, supported as appropriate by technical advisors of the World Bank and of the Netherlands.





## SINT MAARTEN TRUST FUND



Government of the Netherlands



THE WORLD BANK