

List of Decisions reached during BES Political Consultations on 18 June 2008 in The Hague as agreed between the delegations of Bonaire, Sint Eustatius, Saba and Holland

Introduction/summary

- Further to earlier agreements concluded with Bonaire, Saba en Sint Eustatius it is herewith agreed as follows.
- The agreed activities in the fields of youth, education, public health and security will take place as of 15 December 2008;
- In any case, by 15 December 2008 a package of activities in the above-mentioned fields with the relevant legislation, implementation and support will be ready, so that the foundation for the new status will then be laid and an irreversible step taken;
- Therefore, 15 December 2008 will be a meaningful step on the road to the BES islands' new status. Considering the Informative Report issued by the Council of State (Raad van State) suggesting the phased introduction of the BES islands' status change, it will also be considered whether it is then legally possible to start transferring certain responsibilities from the Central Government ('Land') to Holland and the BES islands;
- By 15 December 2008 the basic legislation must also be ready for consideration by Parliament => in any case the 'Wolbes' [Act Public Entities BES], the 'Wet financiële Verhoudingen BES' [Act Financial Inter-relationship BES], Invoeringswet BES [Implementation Act BES] and the amendment of the Kieswet [Elections Act];
- In addition, preparations will be made to officially open the BES Executive Office (Uitvoeringskantoor BES) on 15 December 2008;
- The BES islands and Holland will jointly make every effort to achieve the status change as soon as possible;
- The BES islands and Holland will also jointly make every effort to clearly explain the upcoming changes to the population of the three islands;
- For the agreed activities in the fields of youth, education, public health and security Holland has made a total amount of Euro 12 million available for 2009 and Euro 12 million euro for 2010;
- Holland is also prepared to restructure the payment arrears [debts] accumulated in 2006 and 2007 up to a maximum amount of Naf. 50 million under the same conditions which are in force for the arrears accumulated up to 2005;
- During the BES week from 11 to 18 June 2008 the implementation of earlier agreements, reached during political consultations on 31 January 2008 concerning [the level of] government facilities on Bonaire, Saba and Sint Eustatius, was also discussed;
- Further to agreements reached during earlier BES weeks, the BES islands and Holland have concluded the following agreements, listed below and specified for each policy area.

Education

- The island commissioners of Bonaire, Sint Eustatius and Saba and the Ministry of Education, Culture and Science (OCW) have agreed that in 2009 and 2010 real measures will be taken to improve the situation in the field of education on the BES-islands;

- The improvements will be geared to the primary education process and will concern school-buildings (overdue maintenance etc.), (quality of) personnel and teaching materials & methods;
- At the same time as of September 2008 the Education Inspectorate will start operating, concentrating not only on the quality of [education] at the schools, but also on the place and position of secondary and vocational education;
- For the implementation of this plan an additional amount of Euro 4 million annually has been made available for 2009 and 2010, in other words a total of Euro 8 million;
- The envisaged activities will be worked out in close consultation with the BES islands => a draft spending plan will be discussed during the next BES week.

Public Health

- Based on the action plan, a concrete list of short-term activities that can be initiated in the fields of public health care in the BES islands with the Euro 2 x 3 million made available by the cabinet for 2009 and 2010, will be drawn up in July and August 2008;
- In the meantime work has started on an integral long-term health care & hospital plan for the BES islands (covering all health care sectors). This will include an analysis of the medical facilities and medical aid required in case of accidents and calamities on the three islands. This plan will be finished in the fall of 2008. The plan will be a 'guide-book' setting out all the changes and improvements in the fields of public health care and medical contingency planning that will be required during the coming years;
- Planned activities will be worked out in close consultation with the BES islands;
- In consultation with the BES-commissioners it has been agreed – as a step on the road to the status change and the planned introduction of the new Health Care Insurance Act for the BES islands – to set up a single Health Care Agency for all three BES islands as soon as possible. To do this a quartermaster will be appointed;
- The envisaged BES Health Care Agency which is to implement the present health care financing regulations, will become part of the BES Executive Office which has already been agreed to. This Agency can employ the personnel now working for the islands at the various health departments. Considering the relationship with Social Security and the collection of premiums, this will be worked out in close co-operation with the Ministry of Social Affairs and Employment and the Ministry of Finance;
- In close consultation with the Commission for Financial Supervision it will be studied how public health care financing can be guaranteed during the transitional period.

Youth and family

- The island commissioners of Bonaire, Saba and St. Eustatius and the Ministry for Youth and Family have agreed that in 2009 and 2010 the quality of care for juveniles and families on the BES islands will be improved;
- Point of departure for this plan is the mission statement set out in the Minister for Youth and Family's program entitled 'All Chances for all children'=> every child has the right to be healthy and secure while growing up, should be able to have fun and develop his/her talents and should be well prepared to build his/her own future by constructively contributing to society;
- Envisaged activities will be worked out in close consultation with the BES islands;
- In any case, priority will be given to the (renewed) set-up of a children's home on Bonaire and the appointment of social workers/family supervisors on all three BES islands;
- For the implementation of this plan Euro 3 million annually has been made available for 2009 en 2010, in other words a total amount of Euro 6 million.

Social Security and Incomes Policy

The elderly

- The AOV system will be brought in line with the AOW system in Holland. In doing this the specific circumstances of the BES islands will be taken into account, i.e. undesirable administrative and socioeconomic effects, the islands' small population size, their small size, their remoteness from Holland, their insular character and topography;
- In consultation with the island governments the necessary laws and regulations will be drawn up.

Effects on incomes and burden of taxes and social security premiums

- The effects of tax-rate and social security premiums changes, as well as other initiatives such as the introduction of [general] health insurance, will be tabulated for a number of household categories including high and low income households, to be able to compare the gross/net figures in the present situation with the gross/net figures after the status change.

Social benefit (Onderstand)

- The system of a law regulating Social Benefit will, if circumstances on the BES islands in comparison with Holland permit, correspond to the National Assistance Act (= Bijstandswet) in Holland. In this, Re-employment Policies (Arbeidsinschakeling) will have priority ('work being more important than income');
- The necessary laws and regulations will be drawn up in consultation with the island governments;
- The way to implement this will be studied in consultation with the islands.

Supervision and Implementation of the Federal Ordinance Migrant Labor (Landsverordening arbeid vreemdelingen)

- On behalf of the Minister of Social Affairs and Employment the BES Executive Office will issue work permits and enforce the applicable rules and regulations;
- Local labor supply will be checked first and the decision to issue any work permit will be made after consultation with the island government;
- The island governments' role in this will be laid down in a law, [the contents of which] will be discussed during following consultations between the BES islands and the Ministry of Social Affairs and Employment;

Labor conditions

- When the status change takes place, the existing legislation concerning safety and other labor conditions will remain in force. After status change a study will be made to determine what legal changes will be required or recommendable. Serious safety risks will be tackled first;
- On behalf of the Minister of Social Affairs and Employment the BES Executive Office will implement and enforce the laws and regulations concerning labor conditions;
- The BES-islands request personnel support to raise the standards and skills of the safety inspectors before status change will take place;

Federal Ordinance Minimum Wages (Landsverordening Minimumlonen)

- The mechanism for adapting minimum wages, as laid down in the Federal Ordinance Minimum Wages will be simplified. Within this framework a baseline calculation will take place;
- The minimum wage will be adapted annually on the basis of price index indicators calculated by the CBS and relevant to the [Caribbean] region and the islands;
- Every three years the Minister of Social Affairs and Employment determines whether a special adaptation is necessary after consultation with the island governments.

Security and strengthening law enforcement

- In 2008 Holland will continue its efforts to ensure a safe and secure society, [by means of measures] such as the deployment of officers of the Royal Netherlands Military Constabulary (Koninklijke Marechaussee) on the BES-islands. The measures will be vigorously continued in 2009 in accordance with specific programs for each of the islands of Bonaire, Sint Eustatius and Saba;
- For security programs Euro 2 million has been made available for 2009 and Euro 2 million for 2010;
- Anticipating the status change, programs may be developed on the BES islands after consultation between Holland and the Minister of Justice of the Netherlands Antilles, such as the set-up of detention facilities for migrants, re-socialization and crime prevention programs;
- As was agreed in the Final Declaration, a separate police organization will be set up for each of the islands of Bonaire, Saba and Sint Eustatius. The Ministry of Home and Kingdom Affairs ('BZK') considers it a priority to make sure that the quality of the police force on the BES islands is sufficient. Within this framework the plan to improve the Bonaire Police Force will be continued under the new Chief of Police. The co-operation with the Dutch Police and Fire Department will be continued and, if necessary, intensified;
- A police force will be set-up sufficiently trained and equipped to guarantee all basic police functions. This means that the local police force will be sufficiently capable to carry out a number of specific police duties, such as maintaining public order, carrying out community patrols, supervising, handling of incidents, providing assistance, dealing with juvenile- and public decency offences and carrying out basic criminal investigations;
- For Saba and Sint Eustatius the objective will be to keep the police-stations open 24-hours a day and to make the incident room more accessible in case of emergencies;

Finances

- Holland is prepared to restructure the 2006/2007 payment arrears [debts] up to a maximum amount of Naf. 50 million under the same conditions stipulated for the arrears accumulated up to 2005;
- Holland is also prepared as per 1 April 2009 to partially (i.e. the total amount less Euro 5 million) cancel the debts which have been and are being accumulated as a consequence of the deficit reduction plan 2008-2010 under the following conditions:
 - the budget for 2008 must be executed in conformity with the provisions of the General Kingdom Decree (Amvrb) concerning financial supervision, timely account must be given to the Commission for Financial Supervision ('Cft'), i.e. no later than by 1 April 2009, the budget for 2009 must be submitted to the Cft in time and must be approved by the Cft;
 - the aforementioned Euro 5 million will be used in 2009 en 2010 for the Dutch Tax Office which in consultation with the NA Tax Office will start to levy and collect taxes on the BES islands as of 1 January 2009. The cost involved in this deployment will be for the account of the BES islands assuming that the proceeds will easily cover this. If this should turn out not to be the case, Holland is prepared to pay the difference (i.e. any extra tax revenue less cost of deployment). This agreement will be worked out in more detail later. This means that the credit facility will be lowered by the same amount. The BES islands will make further arrangements about this with the Netherlands Antillean Finance Minister;
- The extra funds will be made available in close consultation with the Commission for Financial Supervision to avoid any disturbances in the orderly execution of the budget on the BES islands, and to avoid that investments may be made with uncovered long-range budgetary consequences;

- The agreed integrated cash management system will be implemented as soon as possible;

Tax system

- Based on the principles and limiting conditions agreed upon between the BES islands and Holland (listed in a work document drawn up by the Ministry of Finance), legislation will be drafted to lay down the new tax system for the BES islands;
- To draft this legislation additional information on the macro- and micro-level is required, for instance on the use of existing fiscal facilities on the BES-islands. The Dutch Finance Ministry has proposed to study and collect data on this as soon as possible, if required on location;
- Regarding possible changes with respect to fiscal incentives, technical consultations will be held as soon as possible to try and determine adequate transitional terms for taxpayers who at present make use of such facilities or who want to invest on the BES islands shortly;
- Within this framework the Dutch Finance Ministry will draw up a list (arranged in columns indicating the most important features) of the current tax incentives and any possible new or amended tax incentives.

Transport and Water Management

- Before the BES week from 1 through 8 June 2008 Minister Eurlings visited the Netherlands Antilles and Aruba. During that visit various matters pertaining to Transport and Water Management were discussed, resulting in the signing of the following letters of intent which will contribute to the improvement of security:
 - Co-operation in the development of the airport of Bonaire;
 - Co-operation in the development of the airport of Sint Eustatius;
 - Co-operation in the development of the airport of Saba.
- Meteorological services for the BES-islands will be provided by the Meteorological Service of the Netherlands Antilles & Aruba, supervised by the KNMI (Royal Netherlands Meteorological Institute);
- Reference is made to the letters of intent for details about their contents;
- Co-financing of the Bonaire *Sewerage and Sanitation Project*;
- In addition, it has been agreed that the Ministry of Transport and Water Management will be in charge of *Port State Control* on the BES islands, including supervision of security- and environmental aspects.

Public Housing, Spatial Planning (Zoning) and Environment

- Not later than by November 2008 a plan will be presented listing the measures the Ministry of Housing, Spatial Planning and the Environment intends to take. The plan will focus on the environment (particularly waste management) and spatial planning (zoning plan). The public housing problem will also be duly considered.
- Intended measures will be worked out in close consultation with the BES islands.

Economic Affairs

- The BES islands and Holland will study how the islands can be made even less dependent on oil by promoting research into alternative energy and alternative fuel, for instance geo-thermal energy on Saba;
- The BES islands and Holland will also study whether it is possible to produce more food locally.

Legal status of Public Servants

- Holland will bear responsibility for the legal status of public servants who are responsible for carrying out tasks assigned to Holland, as well as tasks based on Kingdom Acts (Rijkswetten), as agreed to in political accords. The government of each island bears responsibility for the legal status of public servants responsible for carrying out tasks assigned to the island (in so far as in the new situation the relevant legislation will still be within their competence);
- When the new constitutional status of the BES-islands enters into force, the existing Netherlands-Antillean legislation with respect to the legal status of public servants (in force on the three islands until the date of transition), will in principle remain in force. This legislation will also remain in force for public servants who are now employed by the Antillean Central Government (Land) but who will enter the service of the Dutch Government to be employed especially on the BES islands, as well as for public servants who will be employed by supra-national organizations¹;
- Holland will draw up a social policy plan to deal with any possible lay-offs of redundant public servants of the Netherlands Antilles who will [as a consequence of the status change] enter the service of the Dutch Government. The BES islands will be responsible for drawing up a social policy plan to deal with any possible lay-offs of redundant public servants who remain in the service of the BES islands. Holland will assist the islands, for instance by helping to draw up and implement such a plan;
- The parties agree that this matter has to be handled as expeditiously as possible (yet with due care), so that everybody can be duly informed as soon as possible. Public servants want to know things like which government will be their new employer etc.
- There is a mutually felt need to synchronize the labor conditions which will be in force for the new public entities, the new countries and Holland. Holland has been requested to co-ordinate this;
- It is important for the Dutch Ministries to clarify as soon as possible how the National tasks and responsibilities will be implemented on the BES islands. In this context Holland and the BES islands will make sure that the relevant information required to make policy decisions will be made available to both parties.

Development co-operation policy BES in 2009

- When the development co-operation policy was adopted in 2007 for the period 2008 through 2012 it was assumed that the new constitutional structure would enter into force as per 15 December 2008. Therefore funds were reserved for the BES islands only for 2008. Now that it has become clear that this will not yet be the case, it has been agreed to earmark the available funds for the BES islands in 2009 and possibly 2010 as follows:
 - The funds earmarked for the items Education & Juveniles (40%) will be channeled to the Ministry of Education, Culture & Science to be used in accordance with an action plan to be agreed with the BES islands;
 - Part of the funds earmarked for the item Institutional Reinforcement and Governance (20%) will be channeled to the Association of Netherlands Municipalities (VNG) for activities to improve governance on the BES islands. A plan will be drawn up for this. The other part of these funds will be used to supplement the budget by way of a subsidy for the specific purpose of reinforcing the social safety-net and improving the financial administration. The funds earmarked for 'other projects' (20%) will also be used in this way.

¹ Translator's note: It is not clear what is meant by 'bovenlandelijke organisaties'. Perhaps the KNMI is an example? This Dutch Institute will supervise Meteorological Services throughout the Kingdom, but is not a Kingdom Service based on a Kingdom Act.

- o The funds earmarked for the Security Plan Netherlands Antilles (SPNA) (20% of the development co-operation funds) will be used for the specific island programs included in the SPNA.
- o The total amount of development co-operation funds available for the BES islands in 2009 will therefore be:
 - Bonaire Euro 4.0 million
 - St. Eustatius Euro 0.8 million
 - Saba Euro 0.8 million
 - Total Euro 5.6 million

Status BES islands within the European Union

- In the Final Declaration of date 11 October 2006 (article B22) it was agreed that the feasibility and implications of obtaining the status of Ultra-Peripheral Territory ('UPT' or 'Outermost Regions' as they are officially known in EU law) would be studied;
- Pursuant to this article in the Final Declaration, independent scientific research has been carried out by order of the State Secretary of Home & Kingdom Affairs to study the feasibility and legal as well as economic implications of obtaining the UPT-status;
- The report of this study was presented to the delegations of Bonaire, Sint Eustatius and Saba on 18 June 2008;
- It has been agreed to draw conclusions on the basis of this report about the desired relationship of Bonaire, Sint Eustatius and Saba as Dutch public entities with the European Union in September 2008;
- Point of departure is that for the time being the OCT (LGO) status will remain in force. In the meantime people can form their opinion about this. By the time the WolBES will be evaluated, which will take place – as was agreed – five years after its introduction, the desired relationship between the BES islands and the EU will again be considered.

Common Executive Office

- Holland will officially open an Executive Office for the BES islands on 15 December 2008, which will begin to implement the first tasks assigned to Holland;
- It will have a branch on each of the islands of Bonaire, Sint Eustatius and Saba.

Agreements about BES legislation

- In July 2008 a draft of the basic legislation to constitute the BES islands will be ready and presented to the BES islands for consideration. This basic legislation consists of the Wet openbare lichamen BES ['Act Public Entities BES'], the 'Wet financiële Verhoudingen BES' [Act Financial Inter-relationship BES], Amendment of the Kieswet [Elections Act] and the Invoeringswet BES [Implementation Act BES] (without appendix);
- At the beginning of September 2008 the Ministry of Home & Kingdom Affairs [BZK] will explain the draft legislation to each of the island governments and discuss the same;
- Before 1 October 2008 the BES islands will issue their joint commentary on these bills;
- After the Evaluation Conference to be held on 15 December 2008 the bills will be sent for advice to the Council of State [Raad van State];
- In October 2008 the draft of the 'Adaptation Act BES' and the 'Kingdom Act for the adaptation of Kingdom legislation to the constitution of the New Countries' will be submitted to the BES islands;
- It will be determined later exactly when the islands will be expected to respond to these bills. To speed up the process administrative first drafts of parts of this legislation will be forwarded to the appointed contacts in the BES islands as soon as they are ready.