PRESS RELEASE

MP SARAH WESCOT-WILLIAMS

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MP Sarah Wescot-Williams breaks down the COHO proposal ahead of IPKO.

“ It is not the solution for sustainable reform of a developing country.”

When the IPKO discussions get underway this Wednesday, the elephant in the room will be the draft consensus Kingdom law to establish a body for reform and development for the 3 Caribbean Dutch countries of Aruba, Curacao and Sint Maarten, the COHO.

MP Wescot quickly adds, “Not to say that the topic will not be tabled. The draft COHO law is subject of debate in the tripartite meeting of the 3 Caribbean countries on Tuesday, as it will be in the 4-party IPKO meetings.”

The parliaments of the 4 countries are all at different stages of handling this law, with all eyes however on the Second and First chambers, as this is where the votes will eventually fall.

“In essence the question is, are the parliaments for or against the present draft; what are they against and what if there is no consensus to be reached?”

Some proponents of the law or parts of the law, equate this COHO law with much needed reforms. Others see in the law the materialization finally of much needed developments.

It is from this premise that MP Wescot addresses the draft COHO law.

In the MP’s opinion, the origin of the COHO construct was not one to aid in the development of the countries. It was “plain and simple a way to push through a plethora of matters via a (new) type of higher supervision.”

“We have seemingly forgotten that the forerunner of the COHO was the CHE, the Caribbean Reform Entity, an entity that would supervise and report on the agreed upon reforms, that initially even included the infrastructure of the country, which was later rescinded”, MP Wescot stated.

“The CHE was strongly opposed to, as its infringements on the constitutional order of the Dutch Kingdom were as glaring as day. All this taking place in a strained political environment between Kingdom partners and this strained political environment was exacerbated by the Covid 19 pandemic that had all 4 countries in its grip.

It must be said though, that for emergency relief, especially in the health area, the Netherlands sprang into action towards its smaller Kingdom partners without hesitation.

“While it is a well known fact that the initial reform entity was rejected based on its far reaching usurpation of the countries’ responsibilities and autonomy, the spirit of this construct has however remained in the COHO.”

The country packages were agreed upon between the Netherlands and the respective countries via the mutual agreement format of article 38, sub 1 of the Kingdom charter. This type of agreements, which has become all too common, escapes parliamentary scrutiny and their use needs to be revisited, in the opinion of the MP.

“The Sint Maarten government pussyfooted around this entire matter, with different parts of the ruling government on completely opposite trajectories, leading to some very embarrassing moments, such as partially denying the UN petition filed on behalf of the parliament of Sint Maarten, the embarrassing moments in the Kingdom Council of Ministers’ meetings.”

“Most recently in a closed door technical meeting with the Prime Minister in attendance, parliament was told how well St. Maarten did in defending its position, only to be followed by a public central committee meeting where we heard again how the government’s hands were twisted to arrive at a consensus between the 4 governments.”

Who can be against reforms, right?

But in the opinion of MP Wescot, “the country package is a far cry from a national reform agenda based on goals and objectives and priorities. The country package is a hodgepodge of reform areas, some urgently needed, others desirous, yet others demanded from us and then some random actions, without any motivation or prioritization.”

“The COHO project is a clever way to force the hands of the governments of the ACS countries. It is a form of higher supervision without the legalities for higher supervision and this in my view does not contribute to sustainability”, MP Wescot adds.

“ I foresee major issues when it gets to the financing of the reform packages, without a clear financial picture from the side of the COHO. Not to mention the further negative development of our debt position.

While it is true that in the country package some long-stalled agreed upon reforms (e.g. tax reform and financial reform) again see the light of day, unfortunately the country package is not a comprehensive and synchronized set of measures based on a vision for the country going forward.

Blanket reforms such as those dictated by the country package needed to be preceded by a plan, mapping out the envisaged development goals and the future outlook.

In the opinion of MP Wescot, the budget of the government will now be vetted based on the reform package of the country and this ties the hands of government considerably. “It’s an overarching control of the budget and infringes on the budget right of the parliaments.”

Parliament’s oversight role will be relegated to “rubber stamping”, as by the time the budget reaches parliament, the implementation agenda, projects and capital investments will have already been inked.

“The now added role of the CFT is also cause for concern, as there will be overlaps and there are still too many ambiguities.”

While the World Bank’s management of the Trust Fund is very bureaucratic, the existence of the (temporary) NRBP ensures the “couleur locale” and this is evident of how -even for a temporary organization, if it is to be sustainable- the foundation need to be implanted locally. The same can be said for the COHO construct. Any other set-up therefore needs to be devised with attention for sustainability and capacity building and in MP Wescot’s opinion, the country package/implementation agendas need to be redrafted.

Many of the issues that we face with the WB Trust Fund construct are going to repeat themselves with the temporary work organization as well as with the COHO.

Problems such as 1) reaching agreement on how and when to proceed,

2) having the necessary local capacity to act as counterparts, 3) lack of a public national plan in which all of this takes shape.

“ In addition to all of that, if the government continues to roll out whatever and the population, stakeholders and the different sectors are not being involved in what the government is doing, is going to create an atmosphere of mistrust and polarization nationally.

The powers delegated to the COHO organization belong more in a type of Development and Investment Bank structure with all the necessary checks and balances that any such institution demands; a structure for development that better fits small islands, ensuring that checks and balances are in place and all accountability has teeth.

In terms of our national development, what this current approach, both organizational and reformational totally overlooks, are the inherent vulnerabilities of small island developing states”, the MP further stated.

The MP quotes:

*“On the front line of multiple world crises -including climate change and debt, SIDS face chronic structural challenges and vulnerabilities that are becoming more interconnected and intense over time. They rely on external financing to help prepare and recover from these crises. The climate crisis is more expensive for SIDS. Debt is more expensive for SIDS. Infrastructure is more expensive. Assistance from partner countries doesn’t stretch as far.” (*UN-OHRLLS)

What is absent in all of this?

Where is the 3-prong sustainable development triangle of Environment, Economy and Social Development? Where are the sustainable development goal indicators and targets for St. Maarten? Where are our long term priorities?

“It’s not for the lack of plans per se, as we have had numerous plans for tax reform, we have (had) plans for education, for financial reform, we have a plan for universal health insurance, we have a status report of our youth in collaboration with UNICEF. Were these even made known at the tabling of the country package”? the MP queries in her remarks on the draft COHO law.

“I can only hope that we can have an open discussion with the other parliaments of the Kingdom on this draft law that was birthed during a time of mistrust, impatience and antagonism, at least in the case of St. Maarten and that the consensus principle will be upheld throughout the process”, MP Wescot concluded.

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