

What is Dismantling?

In short it means the dissolving of the Country the Netherlands Antilles which consists of five island territories, namely Bonaire, Curaçao, Saba, St. Eustatius and St. Maarten.

The Netherlands Antilles have to be dissolved to create the new entities. St. Maarten and Curaçao will become countries in the Dutch Kingdom. That was decided in the historic November 2, 2006 meeting in The Hague. It was there that the Final Declaration (Slotverklaring) was signed.

The so-called BES islands, Bonaire, Saba and St. Eustatius, had already come to an agreement with the Netherlands a month earlier. On October 11, 2006 parties agreed that the three islands would become a public entity (openbaar lichaam) of the Netherlands. This means that they will become sort of a municipality.

The December 15, 2008 target date to dismantle the Netherlands Antilles was set during a meeting on St. Maarten on February 12, 2007. St. Maarten, the BES islands, the Central Government and the Dutch Government at that time signed the Transition Accord. Curaçao's Island Council initially rejected the Transition Accord, but rejoined the process a few months later, in July.

The process of constitutional change is the result of different referenda held in the past in which the people expressed their desire as to the future status of their island.

The dismantling of the Netherlands Antilles is a responsibility of the Central Government, specifically the Council of Ministers. A special team, the Project Organisation Dismantling of the Country the Netherlands Antilles POLNA has been charged to guide the dismantling.

The Central Government wants to go about the dismantling in a correct and responsible manner. After all, the country has responsibilities which cannot just be put aside. What would happen for example if the Central Government didn't take care of justice? If it didn't look after the police forces on the islands, or the prisons, or making sure that there is a Court system? Or if it didn't make sure the standard of health care and education remained at a certain level? And what if the Central Government didn't keep an eye on the aerial space around the islands? What would we do without a Parliament that is there for checks and balances, and to pass legislation? Eventually, the people would suffer.

So, dissolving of the Netherlands Antilles will take place through the transfer of tasks and responsibilities to the new entities.

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The panel at the National Dialogue in Curaçao on February 29 and March 1, 2008

Why this newsletter?

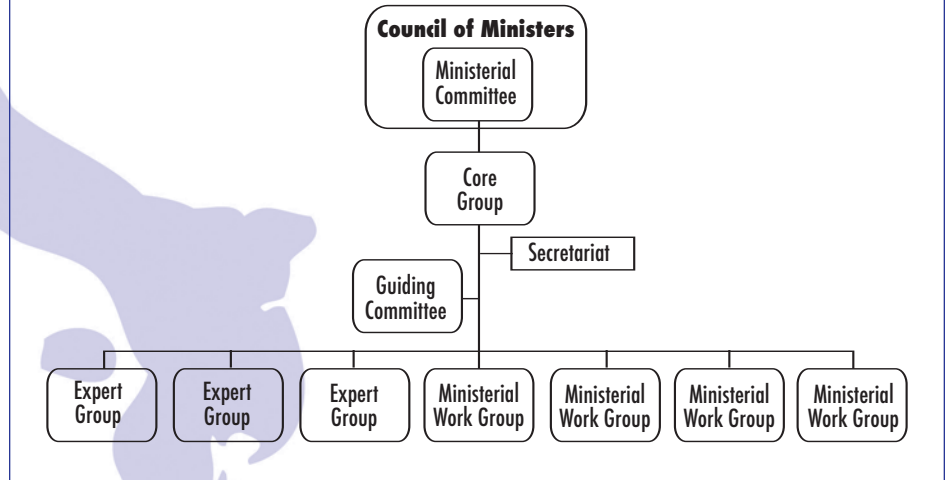
Communication and supplying information is an essential part of the dismantling process. The Project Organisation Dismantling POLNA and its Core Group (Kerngroep) consider this very important. As such information will be distributed on a regular basis, both to the civil servants and the public.

The Explanatory Note of the Federal Decree establishing the Project Organisation, proclaimed in October last year, specifically states that the Core Group has an important task in coordinating, but also communicating the work that it does to dismantle the Antilles. Stakeholders need to be kept abreast of developments. Stakeholders in this process are the civil servants, the governments, including those of Aruba, the Netherlands, and of course the citizens of the islands.

To give content to its responsibility to share information, also in the Windward Islands, the Core Group and its Chairman Mr. Geomaly Martes have appointed a communication person specifically for St. Maarten, Saba and St. Eustatius, in the person of Suzanne Koelega. A communication plan has been drawn for the Windward Islands with specific actions that will be executed during the dismantling trajectory.

Actions in the area of communication include newsletters such as this one, as well as information sessions, issuing of releases via the media, interviews on radio and TV. POLNA is coordinating its activities with the Island Territories as informing the stakeholders is a joint responsibility. A communication team has been appointed on Curaçao to facilitate the information part of the process on that island.

Organisational Chart Dismantling Trajectory



Five phases

The process to dissolve the Netherlands Antilles takes place in phases, five to be exact. The process started last year with the setting up and formalising of the executing structure. This lasted until October last year. The second and third phases are currently in execution.

The second phase entails making an inventory of the tasks that the Central Government has, as well as listing the assets and liabilities. Proposals are presented in the third phase and deliberations are held with the Island Territories and the Netherlands.

The actual execution takes place in the fourth phase. In this phase the transfer of tasks and responsibilities to the new entities will be realised. This phase closes off when the Netherlands Antilles is

dissolved. The fifth is the final and concluding phase. This phase is necessary since part of the work related to the dismantling will continue after the Netherlands Antilles ceases to exist.

Dismantling is a complex and lengthy trajectory with many implications; organisational, legal and financial. There are many stakeholders to reckon with. Cooperation with the island territories is essential in all of this.

In April, for example, the transfer documents of several ministries will be presented and explained to the islands. Transfer documents were discussed with Bonaire, Saba, St. Eustatius and the Netherlands via video-conferencing in the week of April 14.

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At the same time, the country the Netherlands Antilles will cease its responsibilities. The responsibilities will be taken over by the Country Curaçao, the Country St. Maarten and by the Netherlands in the case of the BES islands.

There are several target groups in this process. They are: the citizens of the islands, the civil servants, the Council of Ministers, the Antillean Parliament, the island territories, Aruba, and the Netherlands.

Dividing assets and debts of Antilles is no easy task

The Committee Division of Assets and Liabilities ('Commissie Boedelscheiding') has the difficult task of listing the properties, the capital and debts of the country the Netherlands Antilles. The committee will also come with a suggestion for the division. The division of assets and liabilities is an integral part of the process to dismantle the country the Antilles.

Just like in the case of a divorce, when partners separate, the Antilles has to determine the value of the assets and the liabilities so that these can be divided over the islands that form the Netherlands Antilles.

The Committee, instituted two years ago, presents its first draft report to Prime Minister Emily de Jongh-Elhage and to Ministers Roland Duncan (Constitutional Affairs) and Ersilia "Zus" de Lannooy in April. Parliament gets informed at that time too, followed by the Executive Councils. The Committee already gave a presentation and gave their preliminary findings during a meeting with all governments on St. Maarten in January this year. In that presentation, the Committee gave an overview of its tasks and activities.

In the first draft report, the Committee will present an initial balance regarding the assets, the capital and the debts of the Netherlands Antilles. Committee Chairman Alberto "Chos" Romero said the first draft would most certainly not be complete. Changes will be taken along in the next draft versions. "It is a complex task," he said.

The Committee uses the balance of December 31, 2005 as a benchmark. Transactions incurred after that date will eventually also have to be taken along in the final division. The capital of the pension fund APNA, the Social Insurance Bank SVB and the Central Bank BNA for now will be calculated separately and not included in the first report. The capital of these three institutions will be taken along in the final division.



The Committee Division of Assets and Liabilities

Three separate committees were appointed to deal with the assets of APNA, SVB and BNA. The SVB Committee presented its first report to Finance Minister Ersilia "Zus" de Lannooy.

The Central Government is involved in the exercise, but also the Island Territories.

The sticking points of the islands are taken along in the exercise. Romero explained that the members of the Committee are mere experts and that ultimately the politicians will have to take the crucial decisions.

The 'property' (boedel) of the Antilles is the collective name of all possessions and debts. Considered to be assets are buildings (immovable property), movables, financial assets like loans, participation in government owned companies and institutions, inventory, claims, pre-paid amounts and cash. The Committee is putting a value on all possessions. Debts consist of mostly loans that were taken on behalf of the Central Government, including government bonds.

The Committee meets once per month, either at the Central Bank in Curaçao or at the Central Bank branch in St. Maarten. The Committee had its 21st meeting, the last before the presentation of the first draft report, on St. Maarten early April.

A petite committee takes care of the preliminary and administrative work. The Committee is not being paid for the work it does. "We see this as contributing to building new entities. It is a great experience," said Hiro Shigemoto, who represents St. Maarten on the Committee.

The Committee has nine members:

- Alberto "Chos" Romero of the Central Bank (Chairman)
- Edward Panneflek of the Foundation Government Accountant's Bureau SOAB
- Shaimah Cyrus-Ilahibaks of the Federal Finance Department
- Hiro Shigemoto, St. Maarten's Sector Director Finance
- Will Johnson representing Saba
- Max Pandt representing St. Eustatius
- Ellen Sint Jago of Bonaire's Finance Department
- Perry Kanhai of Curaçao's Finance Department

The Committee is assisted by Secretary Candice Henriquez of the Central Bank and by advisors and experts such as Martin Hassink of Hassink & Roos from St. Maarten and Frans Bosman of the Federal Finance Department. Robert Cornax from the Dutch Ministry of Finance attends the meeting as an observer for the Netherlands.

State Secretary Hubert Martis: dismantling a meticulous job

Dismantling the Netherlands Antilles is a complex job, and it needs to be done in a careful manner. This is in everybody's interest. State Secretary of Constitutional Affairs Mr. Hubert Martis said this during the February 29 and March 1 National Dialogue in Curaçao. He made similar remarks during information sessions with civil servants working in Curaçao early April.

The process to dismantle the Netherlands Antilles is primarily a responsibility of the Central Government. Target date to dismantle the Netherlands Antilles was set at December 15, 2008. The Central Government has a facilitating role and will be transferring tasks and responsibilities to the new entities. This includes the transfer of Central Government personnel to the new entities.

Constitutional reform is based on the right of auto determination of the islands. Curaçao and St. Maarten will become countries in the Kingdom of the Netherlands. Bonaire, Saba and St. Eustatius will become 'public entities' of the Netherlands.

The dismantling process covers three main areas: legal rights, organisation



Hubert Martis

and finances. Work in the area of legal rights includes the termination/transfer of legal tasks and authorities where it concerns third parties. Work in the area of organisation should result in decisions regarding the transfer of tasks, responsibilities and personnel to the new entities. Work in the area of finances should lead to compliance with all financial obligations and the division of assets.

A great challenge lies with the organisa-

tional task of the dismantling process, creating the new statuses in the Dutch Kingdom without negatively affecting the service to the people. This means that the design of the public apparatuses of the new entities clearly has to define the tasks and responsibilities. The Central Government has already made an inventory of all its tasks and responsibilities. This information is being shared with the island territories.

During a meeting on December 8, 2007, which took place on St. Maarten, governments agreed that all employees working for the Central Government and the Island Territories of Curaçao and St. Maarten will transfer to Country Curaçao and Country St. Maarten. Civil servants working on Bonaire, Saba and St. Eustatius will form part of the new entities as part of the Netherlands.

The Committee on the division of assets and liabilities is making an inventory of the assets of the legal entity the Netherlands Antilles, and putting a value to these assets. (See related story). Specific committees are dealing with the assets of institutes established by law, the Central Bank, the Social Insurance Bank (SVB) and the pension fund APNA.

Sessions for civil servants on Curaçao

The Central Government and the Island Territory Curaçao on April 1, 3 and 4 jointly organised several information sessions in preparation of Country Curaçao. Invited were civil servants working for both governments.

Speakers included Curaçao Commissioner Mrs. Zita Jesus-Leito, State Secretary Mr. Hubert Martis, Acting Head of the Federal Department of Personnel Affairs Mrs. Dinaida Bazoer, Chairman of the Core Group of the Project Organisation Dismantling of the Country the Netherlands Antilles Mr. Geomaly Martes and Advisor to the Island Territory of Curaçao Mr. Raymond Begina. The speakers provided updates on

the different aspects of the trajectory of constitutional change. Commissioner Jesus-Leito gave the civil servants a pep-talk about establishing Country Curaçao. She said that in principle all civil servants would be going over to Country Curaçao. Mrs. Bazoer spoke about the goals and actions regarding the transfer of personnel. Mr. Martes explained the steps in the dismantling trajectory and brought those present up to date on where the process stands. Mr. Begina focused on the new organisation for the Country Curaçao, the goals, plan of action and the execution.

The Central Government and Curaçao thought it important to inform the civil servants, for the latter

group is considered the backbone of any government. Minister of Constitutional Affairs Roland Duncan said in a press release afterwards that it was important to treat civil servants in a correct manner. He said having one government per island instead of two also meant greater efficiency. St. Maarten had similar sessions on February 21 and 22, 2008 to give civil servants information on Country St. Maarten and its future ministries.

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