

Management summary Plan of approach E.6

Country Package Sint-Maarten, Theme Economic reform,

Measure E.6 Research entrepreneurship and investment climate

Based on the implementation agenda of April 2021

(instructions in blue)

Measure E.6 Research entrepreneurship and investment climate on Sint-Maarten	
Sint-Maarten	
Theme Economic reform (E.)	
Measure E.6 Entrepreneurship and the investment climate	
Context	<p>The economy of Sint Maarten has been severely affected in recent years, first by two hurricanes in 2017 and then by the ongoing COVID-19 pandemic. The results are a declining tourism sector with great losses in foreign exchange earnings, rising unemployment of about 16% and capital losses by micro, small and medium-sized enterprises. In addition, the business climate of Sint Maarten is bureaucratic, costly and cumbersome. Reform of basic services and promotion of a healthy entrepreneurship climate on Sint Maarten are urgently necessary to turn the tide and make a transition to structural economic growth, as a path to an attractive investment climate.</p> <p><i>[Concise summary of the reason, which also reflects the problem statement, see paragraph 2]</i></p>
Goal	<p>The present goal of this measure is a research project to assess the current situation of entrepreneurship and investment climate and to propose coordinated next steps to achieve a dynamic and resilient economy.</p> <p><i>[Concise summary of the objective of the project, see paragraph 3]</i></p>
Project objective	<p>This research project should answer the question: <i>How, in the context of the climate of entrepreneurship and investment, can Sint Maarten's implementation plans to recover economic resilience be accelerated and where are new policies required?</i></p> <p>Take into account the economic policy of Sint Maarten, specifically with regard to, among other aspects: laws and regulations, optimizing the licensing system, reducing the cost of doing business and removing red tape.</p> <p><i>[Concise terms of reference for the project, see paragraph 4]</i></p>
Chosen approach	<p>An independent third party, SEO Economisch Onderzoek (SEO) in Amsterdam, has been engaged to examine the current set of relevant laws and regulations regarding entrepreneurship. SEO also examines the practical application of these laws and regulations, together with the responsible stakeholders in the chain of implementation: government, (potential) entrepreneurs, suppliers, customers.</p> <p><i>[Concise summary of the approach taken to the project, this is a combination of paragraphs 5 to 9]</i></p>
Intended results	<p>On the basis of this research, specific recommendations will be developed for, among other things, updating and modernizing the laws</p>

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	<p>and regulations, with an emphasis on efficiency and elimination of unnecessary procedures (reducing, among other things, red tape).</p> <p>The recommendations include: a proposal for prioritisation of actions over the short, middle and long term; an analysis of required capacity and resources and their availability; and suggestions for practical solutions to actually start implementation.</p> <p>Part of the results is the inclusion of the stakeholders in the chain in both analyzing the problem and in formulating the direction and priorities, and creating support for the solutions.</p> <p>Implementation of the proposed activities will be the follow-up to the review.</p> <p><i>[Concise summary of the intended results of the project, see paragraph 11]</i></p>
<p>Conditions, coherence and/or dependence</p>	<p>Overlap and potential gaps between this research and related research projects will be explicitly sought. Examples of related topics are the parallel studies into the conditions and (illegal) labour market (measures B5, E1, E3, E4 in the National Package), into the need for tax reform (Theme C) and into the digitization of work to increase quality and remedy lack of manpower (Measure B11).</p> <p><i>[Where applicable: Concise summary of the consistency with (the results) of other projects, see paragraphs 12 and 13]</i></p>
<p>Planning</p>	<p>The contract to third parties was put out to tender in June 2021. The research started at the end of July and the results are expected before the end of 2021 (provided no interruptions are caused by hurricanes or corona).</p> <p>Stakeholders are mainly involved in the months of September and October.</p> <p><i>[Concise summary of the different phases and planning, see paragraph 14]</i></p>

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