

Incentives for employment and an adequate social safety net: a study into the system of social security	
Sint Maarten	
Economic Reforms	
The system of social security will be given an activation function, with the appropriate stimuli, while also ensuring an adequate social safety net. Based on existing and/or additional studies, proposals will be developed and implemented. Viewed in combination with the measures concerning the reform of the labour market.	
Reasons for the project	Currently, the system is too fragmented and requires optimization of allocation of resources to ensure the sustainability and effectiveness of the system, optimize the activation function with the appropriate incentives while ensuring an adequate social safety net.
Project objectives	Develop and implement policy proposals, based on external research, for a financially sustainable social security system with appropriate incentives for employment (activation function) and an adequate social safety net that can cope with socio economic shocks.
Scope	The project focusses on: 1. Conducting quantitative and qualitative research aimed at the social security system as a whole. Analyze how its components function, how incentives for employment are provided, how adequate support (safety nets and social programs) can be ensured and study the financial sustainability of the system. 2. Collecting policy recommendations aimed at addressing the policy targets related to the efficiency and effectiveness of the system, incentives for employment and adjustment and development of the system to ensure and financially sustainable adequate social safety net. The report will also provide recommendations for the execution of country package measure E5 on pension reform.
Chosen approach	The project is phased into research, defining the reform measures and implementation. First phase of the project consists of research via specialists based on a tender. Both quantitative and qualitative research methods will be used. The project will be managed via a project management team, who will coordinate activities in the project and liaise with the researchers.
Expected results	A research report on the social security system of Sint Maarten, with recommendations for reform on the short-, medium- and long-term, including recommendations for the execution of measure E5 on pensions.
Preconditions, coherence and dependencies	Integrated into this project is the pension component of the economic reforms (E.5.) because the social safety net also serves Sint Maarteners who are retired. In addition, this project touches on various other components from the Country package, including a study into the labour market (E.1), the commitment to formalize the labour market and combat illegal employment of foreign workers (E.2 and E.3). Also relevant is the project on entrepreneurship and the investment climate (E.6), the education system and the match between education and the labour market (G.1), the reform of the tax system (Chapter C.) and financing (Chapter A).
Planning	The procurement process for the research assignment starts September 6 2021. Plans to start the research are set for Q2 2022 depending on the duration of procurement process.

Paraaf [Aruba/Curaçao/ Sint Maarten]	Paraaf Nederland