

Summary

Report of the French government's interministerial commissioner for the reconstruction of Saint-Barthélemy and Saint-Martin

On September 6, the strongest hurricane ever recorded in the West Indies (IRMA) hit the islands of Saint-Barthélemy and Saint-Martin. As a result of this tragic event, eleven people lost their lives, nearly 95 % of the buildings were damaged on both islands, and 7 000 people fled to find shelter in Guadeloupe, Martinique or Paris.

In order to address this emergency situation and mitigate its egregious effects, the French government established an unprecedented air and sea bridge. Two million bottles of water and 200 tons of food were shipped to Saint-Martin and Saint-Barthélemy in less than a month. Approximately 3,000 public employees and volunteers were mobilized on-site at the peak of the crisis, accounting for 10 % of the population. This deployment enabled a swift return to near-normal living conditions on both islands: two months after Irma, students are back in school, utilities and mobile networks are back at work and many dwellings were protected from further floods. Nevertheless, access to piped water is still a major issue on Saint-Martin because of the destruction of the water supply network.

After the emergency, both islands are now entering a transitory phase, in which the French state and the collectivities of Saint-Martin and Saint-Barthélemy will have to lay down the foundation of the reconstruction. In order to contribute to an efficient reconstruction process, the French government will need to adjust its actions to the economic, geographic and legal specificities of Saint-Martin and Saint-Barthelemy. Furthermore, the fact that the island of Saint-Martin is divided into two parts (a French side and a Dutch side, also known as Sint Maarten) must be taken into account.

Since 2007, Saint-Martin and Saint-Barthélemy have the status of "overseas collectivities" (COM) ruled by article 74 of the French constitution. As such, they have important autonomous functions, such as urban planning. Saint-Martin is an "Outermost Region of the European Union" (OR) and can benefit from European structural funds (ERDF, ESF etc.). In light of its greater competencies, Saint-Barthélemy is acknowledged as being part of the "Overseas Countries and Territories" (OCT) of the EU and has access to the European Development Fund. Sint Maarten is also an OCT.

By contrast, the economic and social contexts of those islands are quite different. For several decades, Saint-Barthélemy (10 000 inhabitants) has been relying on high-value tourism - a major source of income - whereas the economic model of Saint-Martin has seemed to be more unbalanced. Saint-Martin's population is young (35 % under 20), rather low-skilled (less than 25 % of the people under 24 are being schooled), and largely made up of immigrants (32 %). Saint-Martin's population has also quadrupled between 1982 and 2001, which caused significant problems in terms of infrastructures and administrative management. Saint-Martin's tourism is also losing ground, as its hotels have lost 3,000 beds in just ten years due to the increase of seasonal rentals. Moreover, the fact that the French-Dutch border is non-existent puts Saint-Martin in an even more difficult competitive environment. Sint Maarten has more lenient legal and social standards in comparison to the French side and attracts 96 % of the tourism arrivals (2.5 million visitors in 2014). The French building sector has also to face direct competition from Dutch businesses. Finally, the tax exemption



laws on real estate had some adverse effects by creating a bubble and prompting a quick urban development that has been partially out of control as the COM still has no local urbanism plan (PLU).

In many ways, IRMA has not fostered but rather revealed preexisting unbalances on Saint-Martin. It is also foreseeable that neither one of the two islands will recover without rebuilding a sustainable model of tourism. For Saint-Martin, for instance, an efficient model would mean enhancing its natural potential and relying more on high-value tourism and sustainable development.

In addition, Saint-Barthélemy's prosperous economy will not be sustainable if Saint-Martin does not recover quite rapidly. Both islands are intertwined, for instance in terms of tourism flows and goods traffic. Saint-Barthélemy is dependent on Saint-Martin's infrastructures (airport etc.) and both islands thus have a common interest to coordinate their reconstruction work and cooperate to attain recovery as early as possible.

This report aims at putting forward a series of concrete recommendations that are expected to contribute to a sustainable and efficient reconstruction process, such as strengthening the capacities and services of the French government on-site, ensuring safety on both islands and supporting local businesses, launching a reflection on the future of tourism, contributing to more balanced relations between the French and the Dutch sides on Saint-Martin, launching an efficient urban planning policy:

1. <u>To strengthen administrative services to better monitor the rule of law and make public policies more efficient through:</u>

- The strengthening of the role of the prefect, who acts as the French government's representative on-site and ensures the rule of law. Several administrative services that are still based in Guadeloupe should be transferred to Saint-Martin/Saint-Barthélemy to give the prefect the capacity to carry out his missions.
- The building of an "administrative city" that would centralize all administrative services of the state and the reinforcing of the administrative personal.
- The appointment of project managers that would act as a bridge between the services of the French government and those of Saint-Martin.

2. To ensure safety and supporting local businesses through:

- The maintaining of credible security forces to ensure safety and restore the confidence of the inhabitants and investors.
- The maintaining of public aid for local businesses (e.g. liquidity assistance, exemption from social taxes etc).

3. To launch a reflection on Saint-Martin's and Saint-Barthélemy's economic model and to support sustainable tourism through:

- The conduct of a public audit on the economic situation.
- The promotion of job training in the tourist sector to have a pool of labor with high-level skills.

- The launch of a real tourist strategy with local businesses representatives in order to attract new high-profile customers and promote the natural potential of both islands (e.g. green tourism)
- The strengthening of air connections to Saint-Martin's airports to make the island a real hub in the Caribbean
- 4. <u>To contribute to more balanced relations with Sint Maarten by reviving the cooperation between both sides through:</u>
 - The reactivation of the « Q4 » platform which gathers the French and the Dutch states, Saint-Martin and the government of Sint Maarten.
 - The cooperation in the fields of migration policy and fight against corruption.
 - The joint planning of common projects with the Dutch side in terms of infrastructures (e.g. waste management, sanitation, networks etc).
- 5. To launch an efficient and controlled urban planning policy through:
 - The issuance of a decree that would strengthen criminal law provisions for those who do not comply with rules on urban planning
 - The undertaking of a ad hoc urban diagnosis of Saint-Martin and the issuance of new urbanism rules, according to the following roadmap:
 - the French state should first produce a natural hazard map ("carte des aléas") as soon as possible
 - from this map, the COM of Saint-Martin could issue a real local urbanism plan (PLU) that would take into account all the lessons learned after IRMA
 - the French state and the COM then should put in place a common strategy in terms of urban planning policing and enforcement against illegal settlements
 - **an instructional guide on the reconstruction could be launched** to help people understand the new urbanism rules
 - The launch of an emergency plan on the short-run to give people clear directives in terms of reconstruction in risk areas.
 - The strengthening of local engineering capabilities to help the COM and private households in the rebuilding process.
 - The launch of an international consultation of architects, engineers etc. to gather ideas in terms of urban planning and architectural design.