

restaurants, lobbies, gamesrooms, etc.— sustained damages of diverse nature and intensity. Their rehabilitation cost has been estimated as US\$ 16.8 million. Additionally, damages to the beaches and the landscaping of the resorts and hotels are estimated at a cost of US\$ 54.8 million, including damage to streets and sidewalks, lighting, play courts and golf courses.

Indirect costs, particularly the loss of revenue, were estimated at over US\$ 216.6 million, of which US\$ 129.6 million refer to losses in 1996 due both to the large amount of hotel rooms that will not be available and an expected lower occupancy rate for the 1995-1996 high-season.

It was thus estimated that total damages sustained by the tourism sector reached US\$ 490.7 million; of these, US\$ 274.1 million refer to direct damage to infrastructure, equipment and furniture, while US\$ 216.6 million represent income losses. (See Table 4.)

### **c) Other productive sectors**

As previously indicated, other productive activities utilize less than 7 per cent of the total labour force and produce around 3 per cent of the gross domestic product —on the basis of figures for 1991— of Sint Maarten. In any case, they are mostly related to or derive from the tourism sector.

The most important of them is that related to repair and maintenance of leisure, and small cargo and fishing boats. This industry totally interrupted activities for two months after the hurricane due to the lack of power supply. Damage to their physical plant was minor and there occurred high income losses during said period. However, the amount of boats that were damaged is such that all marinas —located in the French and Dutch sides of the island— will be operating at full capacity for the next six months, which will produce an increase in revenues of about 20 per cent above pre-disaster levels. It is estimated that direct damages to infrastructure in the marinas amounted to US\$ 160,000 and that revenue losses will be US\$ 240,000. (See Table 4.)

Agriculture and livestock in the island are mostly for self-consumption. Only minor damages were sustained in these activities, especially taking into consideration that livestock had been decimated prior to the disaster due to a plague that affected the local population of goats, chicken and rabbits. (See Table 4.)

Cement-brick manufacturing and concrete production industrial operations sustained only minor physical damages; in response to the re-construction efforts, they are experiencing increased demands. A small local brewery had initiated production in mid-1994 and was not affected by the hurricane.

Table 4

## DAMAGES AND LOSSES IN THE PRODUCTIVE SECTORS

(Millions of US Dollars)

Sector and subsector	Estimated damages and losses		
	Total	Direct	Indirect
<u>Total</u>	<u>762.6</u>	<u>353.3</u>	<u>409.3</u>
<u>Commerce</u>	<u>271.5</u>	<u>79.0</u>	<u>192.5</u>
Wholesalers and supermarkets	115.7	39.5	76.2
Buildings and warehouses	7.9	7.9	
Equipment and furniture	17.8	17.8	
Inventories	13.8	13.8	
Increase in operating cost	10.6		10.6
Losses of revenue	65.6		65.6
Small and medium retailers	155.8	39.5	116.3
Building and warehouses	5.9	5.9	
Equipment and furniture	7.9	7.9	
Inventories	25.7	25.7	
Losses of revenue	116.3		116.3
<u>Tourism</u>	<u>490.7</u>	<u>274.1</u>	<u>216.6</u>
Buildings			
Major damages (1,100 rooms)	90.0	90.0	
Minor damages (1,500 rooms)	45.0	45.0	
Furniture and equipment	67.5	67.5	
Common areas	16.8	16.8	
Landscaping	54.8	54.8	
Losses of revenue	216.6		216.6
<u>Other sectors</u>	<u>0.4</u>	<u>0.2</u>	<u>0.2</u>
Boat repair marinas	0.4	0.2	0.2
Agriculture and livestock			

Source: ECLAC, on the basis of official figures and direct field observations and estimates

## 6. Other damages

Damages to infrastructure, furniture and equipment were sustained by other public and private sectors. Island Government buildings not included previously under specific sectors, churches of

many religious denominations, and sports facilities sustained physical damages that have been estimated at US\$ 3,265,000, about 45 per cent of which would be covered by insurance

## 7. Summary of damages and losses

Despite the preliminary nature of some of the sectorial damage assessments described in the previous sections, the magnitude of the total damages caused by Hurricanes Luis and Marilyn in Sint Maarten can be quantified, and the sectors that were affected the most and which will require priority attention during reconstruction can be identified.

The total amount of damages and losses caused by the disaster is estimated as US\$ 1,070 million. This amount can be broken down into damages and destruction of buildings and infrastructure of US\$ 402.6 million (38 per cent of the total); damage and destruction of equipment and furniture of US\$ 199.5 million (19 per cent); and losses of future revenues of US\$ 438 million (41 per cent). However, there are potential insurance reimbursements for physical damage and for part of revenue losses of up to US\$ 409 million, so that the net loss to Sint Maarten would be of US\$ 661 million. (See Table 5.)

The magnitude of these figures is not only extraordinary on its own but is especially staggering when compared to some of the macro-economic variables of the island territory. First, the total amount of damages and losses represent more than twice the amount of the estimated gross domestic product for Sint Maarten in 1994. <sup>13/</sup> Second, direct damages amount to slightly more than 3 times the estimated gross capital formation of Sint Maarten in the period 1989-1991, when this variable was at its most recent peak. Thirdly, the estimated losses of revenue arising from the disaster represent nearly the same amount as the total GDP for Sint Maarten in a given year. Since these losses will be spread over time in the current and next year, and they are partially covered by insurance, the resulting reduction in GDP will not be as drastic. However, they are so high that they will even have a negative impact on the whole Netherlands Antilles macro-economic figures, as will be discussed in the following chapter.

The sectors most affected by the disaster were, by far, tourism, housing and commerce. Tourism activities lost the largest proportion of physical assets (48 per cent of the total) followed by housing (31 per cent), while tourism and commerce combined sustained nearly 90 per cent of the expected losses in revenue.

Moreover, the damages sustained by the physical infrastructure have negatively affected the reputation of Sint Maarten as a top tourism destination. The number of tourist arrivals to the island as well as to other nearby island destinations —such as Saba, St. Eustatius, Anguilla, etc.— is bound to decrease in the near future.

<sup>13/</sup> Projections for said year place GDP for Sint Maarten around 850 million NAf or 465 million US Dollars.

It can be stated that the island territory of Sint Maarten was affected in its most strategic areas: those related to the main earner of domestic income and foreign exchange —tourism and commerce— and to the social infrastructure of its population. Since a sizable fraction of the latter will not only lose its housing but sustain reductions in earnings and employment, the living conditions in the island will be dealt a severe setback.

Table 5

SUMMARY OF DAMAGES AND LOSSES CAUSED BY HURRICANES LUIS AND  
MARILYN IN SINT MAARTEN

(Millions of US Dollars)

Sector and subsector	Estimated damages and losses			Insurance reimbursement */
	Total	Direct	Indirect	
<u>Total</u>	<u>1,070.4</u>	<u>571.1</u>	<u>469.3</u>	<u>409.3</u>
<u>Social sectors</u>	<u>216.3</u>	<u>197.2</u>	<u>19.1</u>	22.0
Housing	192.3	179.8	12.5	
Education	15.6	13.3	2.3	
Health	8.3	4.1	4.2	
<u>Basic services</u>	<u>61.7</u>	<u>33.2</u>	<u>28.5</u>	<u>12.0</u>
Water supply and energy	14.8	5.9	8.9	
Telecommunications	37.7	20.1	17.5	
Cable television	7.6	5.6	2.0	
Postal services	1.6	1.6		
<u>Infrastructure</u>	<u>26.5</u>	<u>14.1</u>	<u>12.4</u>	<u>9.9</u>
Airport	9.2	1.3	7.9	
Ports	15.4	10.9	4.5	
Roads	1.9	1.9		
<u>Productive sectors</u>	<u>762.6</u>	<u>353.3</u>	<u>409.3</u>	<u>363.9</u>
Commerce	271.5	79.0	192.5	
Tourism	490.7	274.1	216.6	
Other sectors	0.4	0.2	0.2	
<u>Other damages</u>	<u>3.3</u>	<u>3.3</u>		<u>1.5</u>

Source: ECLAC.

### III. IMPACT ON ECONOMIC PERFORMANCE

#### 1. General considerations

Once the damage and losses sustained by the different social and economic sectors have been determined, as described in the previous chapter, the effects of the disaster on the macro-economic position of Sint Maarten can be appraised.

Such evaluation includes an analysis of the disaster's impact on overall production, the external sector, inflation and prices, and the fiscal budget of the local government of Sint Maarten. In addition, since the inter-dependence of the island is so important in relation to the Netherlands Antilles and the extent of the damage is so great, the analysis also includes the estimation of the disaster impact on the national economy.

The analysis is based on a comparison of anticipated economic performance before the disaster struck and the expected performance as affected by the damages and losses sustained by the economy.

#### 2. The economic position before the disaster

##### a) The economy of Sint Maarten

Sint Maarten has a service-based economy. Estimated growth of the economy for the 1990-1994 period was approximately 8% per annum, mainly supported by the tourism industry whose output has been growing since 1991 at an annual rate of over 9.5%. Domestic demand in Sint Maarten was especially buoyant in 1993 and 1994, with growth rates of 9 and 11.8 percent respectively. Given the almost total dependency of the island on imports and the prevalence of free currency exchange, inflation has been moderate reflecting international variations in prices (about 2.4% in the 1990-1994 period). <sup>14/</sup>

Growth in the island territory's economy has not fueled an increase in wages since the labour market has had access to a growing labor force supplemented by non-residents that have provided a number of services, especially in the construction sector. The local financial sector also experienced growth, although somewhat moderated by the tight monetary policy of the Netherlands Antilles's Central Bank for the whole country. The largest expansion in credit was in consumer loans, while mortgage credit remained relatively constant. Commercial loans actually experienced a contraction of about 19% during the 1990-1994 period.

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<sup>14/</sup> See the report prepared by the Economic Recovery Committee (ERCOM) entitled *Short-term Economic Assessment and Recovery Program (Sint Maarten's Best Opportunity for Post-hurricane Luis Recovery and Revitalization)*, Sint Maarten, October 12, 1995.

In the government sector, revenues have expanded steadily as a reflection of the overall economic activity and of efforts by the island government authorities (Inspectorate of Taxes) to make up arrears and implement a tight collection policy. Expenditures expanded concomitantly particularly to attend to existing deficits in housing and education services, reflecting in particular the growing demands from non-registered laborers.

**b) The national economy of the Netherlands Antilles**

In recent years the national economy of the Netherlands Antilles has undergone a weakening in growth. It showed a modest recovery in 1994, as its gross domestic product (GDP) grew by 2%. The factors that contributed to this positive outcome include an improved export performance and a growth of the national tourism and commerce sector as domestic demand recovered. Transportation and the international financial and business services also showed an important growth. There occurred a decline in the national unemployment rate and inflation continued at moderate rates. Despite these positive results, public finances at the national level weakened and the country's foreign exchange reserve position deteriorated. <sup>15/</sup>

Other sectors of the economy —oil and the ship repair industry— fared less well during 1994. Foreign exchange revenues from the oil refinery —which were once the mainstay of the national and particularly the Curaçao economy— declined.

The growth in government spending at the national level and for Curaçao outpaced available revenues substantially, thereby leading to a further increase in the national deficit which surpassed 3% of GDP. This was accompanied by a growth in commercial banking lending well in excess of the growth of the economy, leading to a further widening of the current account deficit of the national balance of payments. To face these mounting imbalances the Central Bank tightened its monetary policy through reactivation of the monetary cash reserve arrangement (October 1994) and initiated consultations with the international banking institutions for a programme that would have the financial backing of the Netherlands government.

In 1994 development assistance provided by the Government of the Netherlands remained at the same level as in the previous year. Of the total amount provided during the year (US\$ 118 million), 53% was made available for government projects, 7% for social and cultural activities, and 14% for technical assistance and the strengthening of government administration. Development assistance provided by the European Union amounted to US\$ 28.6 million for the 4-year period 1991-1995 (through the seventh tranche of the European Development Fund).

The natural disaster that affected Sint Maarten came at a time of financial weakness of the national economy; it struck one of the dynamic sectors on which expectations were being made at the national level to obtain resources to overcome the present short-term constraints. The above can be visualized best from the following statement by the Netherlands Antilles Central Bank in its 1994

<sup>15/</sup> Information included in the Netherlands Antilles Central Bank, *Annual Report, 1994* and *Quarterly Bulletins*.

report: "the growth in foreign exchange earnings from tourism was attributable to St. Maarten (4.8%) and Bonaire (15.4%); Curaçao incurred a decline of 5.9%".

### 3. Impact of the disaster on economic performance

#### a) Economic activity

Before hurricanes Luis and Marilyn economic activity in Sint Maarten was expected to expand at a rate above 5%, as a result of an expected sustained good tourism performance, 16/ in the context of an expected overall national economic growth of around 6%. 17/

The effects of the direct and indirect damages imposed by the hurricanes will not only reduce such positive expectations but will bear on the economic performance in Sint Maarten for at least the following two years. In addition, the disaster will have a negative impact on the overall economy of the Netherlands Antilles.

Estimates made on the basis of the damages described in the preceding chapter indicate that in 1995 Sint Maarten's GDP will be at least 12% lower than was expected before the disaster struck. This will bring down the expected Netherlands Antilles GDP growth by 2 to 3 percentage points in 1995, given the fact that Sint Maarten's GDP 18/ represents more than 20% of the national figure. (See Table 6). It is to be noted that most of the disaster's negative effects on GDP should occur in 1996 and beyond, when the major losses in production and revenues are expected to occur.

As regards productive and services sectors, in 1995 the major setback will occur in the tourism activities. The loss of assets, the increased maintenance and operational costs incurred, the repair and reconstruction costs, and the diminished installed room capacity will result in a net fall in the tourism sector's activity.

In the commerce sector damages in infrastructure, higher operational costs and stocks losses will be partially compensated by an increased demand related to the construction and reconstruction, producing a less dramatic net loss than would have been expected in view of the extensive direct damages.

The negative effects of both tourism and commerce sector production will continue to be very intense in 1996. On the other hand, the construction sector's bigger impulse will come in 1996, after the receipt of insurance payments enable the initiation of large works.

For the purpose of assessing the total impact of the disaster on economic performance, the following is the estimated breakdown of production losses per sector for 1995 through 1996 (in millions of US Dollars):

16/ See Netherlands Antilles Central Bank, *Annual Report, 1994*, *op cit*.

17/ On the basis of preliminary estimates from the Netherlands Antilles Central Bank.

18/ Including Saba and St. Eustatius.

Sector	1995	1996	1997
<u>Total</u>	<u>175.34</u>	<u>318.40</u>	<u>0.33</u>
Water and energy supply	5.94	2.97	-
Telecommunications	6.58	10.96	-
Cable T. V	1.00	1.00	-
Airport services	2.28	1.03	-
Port and harbour services	0.54	0.64	0.33
Industry	0.50	-	-
Commerce	71.50	172.20	-
Tourism	87.00	129.60	-

Table 6

## EFFECTS OF THE DISASTER ON GROSS DOMESTIC PRODUCT

(Millions of US Dollars)

	1991	Projections for 1995	
		Without disaster	After the disaster
<u>Netherlands Antilles</u>			
National gross domestic product (factor, cost, constant prices)	<u>1,863.4</u>	<u>2,129.2</u>	<u>2,073.5</u>
<u>Sint Maarten</u>			
Sint Maarten GDP	<u>335.7</u>	<u>464.1</u>	<u>408.3</u>
Agriculture, fishing and mining	1.2	1.6	1.5
Manufacturing	8.9	12.2	11.8
Electricity, gas and water	13.1	17.8	15.7
Construction	27.5	37.3	34.3
Wholesale and retail trade	109.9	141.8	131.7
Hotels and restaurants	43.9	63.2	50.5
Transport, storage and communications	51.9	74.6	64.5
Finance and other business services	59.1	85.0	74.0
Social and personal services (including Government services)	39.4	56.7	46.2
Less, imputed bank charges	-19.2	-26.1	-21.9

Source: ECLAC, based on available information and on its own projections



## b) Government finances

The analysis made of the anticipated effects of the disaster on government finances reveals that, at the national level, resource transfers above those made to face emergency requirements will be required, especially for the reconstruction of the social services. This is mainly true for education where there was a pre-disaster deficit in school facilities which has been aggravated by the disaster. Additional central government resources will be required to restore the water and electricity services.

It is anticipated that instead of having Sint Maarten contribute to the national finances—through its collection on wage, income and profit taxes—operational and capital transfers from the central government will have to be made.

The increase in revenue for 1995 that was expected as a result of improved collection in Sint Maarten will not be forthcoming as a consequence of the disaster; instead, island government revenues will be lower than in 1994 by an estimated 4.2 million US Dollars, or a 23 % per cent reduction. The following is the breakdown of total tax revenues for 1994 and the projections for 1995 and 1996 (in millions of US Dollars):

	1994	Projections for 1995		1996
		Without disaster	After disaster	
<u>Total taxes</u>	<u>62.20</u>	<u>62.80</u>	<u>47.99</u>	<u>68.67</u>
Profit tax	13.46	12.07	10.97	13.71
Wage tax	36.22	32.91	26.32	35.65
Income tax	4.62	6.58	3.95	7.13
Other taxes	7.90	11.25	6.75	12.19

The main increases in Government expenditure were related to relief and emergency actions in the first few days after the hurricane and—especially in the following weeks and months—with the rehabilitation of social services and the restoration of public utilities.

Based on the above figures, it can be stated that the island government of Sint Maarten will not be in a position to finance on its own whatever reconstruction outlays are not covered by insurance reimbursements and domestic private sector contributions.

Contributions from the international community, assistance from the Netherlands development and emergency assistance funds, and pledges from the European Development Fund have been received by both the Netherlands Antilles and the Sint Maarten governments.

**c) The external sector**

Since Sint Maarten is a freeport the impact of the disaster on the Netherlands Antilles balance of payments is relatively minor. In 1995 it will mostly be of a positive nature, due to insurance payments received. After that, in 1996, the island's local economy will be forced to incur in the importation of construction materials, equipment, furniture and furnishings to restore both housing and commercial activities and, most importantly, the hotel infrastructure. Only a fraction of these outlays will be compensated by incoming insurance payments.

The effect of the above situation concerning the balance of payments at the national level will thus be for 1996 and beyond a reduction of the net foreign exchange resource contribution that Sint Maarten provided to the Netherlands Antilles.

**d) Price levels and inflation**

An increase in wages in the construction sector is to be expected as a result of the disaster. Its overall impact on inflation will be small however since —on the one hand— the increased number of unemployed will bring wages down and the available pool of non-registered workers will probably meet a large fraction of the increased demand of construction laborers. On the other, prices of merchandise and commodities should not be modified as a result of the hurricanes and will follow the trends of international prices, as is customary for the island's economy.

**e) The banking sector**

A decrease in loans collections associated with insurance payments will reduce the output of the banking and insurance sector. An anticipated increase in insurance premiums will push upward the costs for other economic and commercial activities.

## **IV. REQUIREMENTS FOR RECONSTRUCTION**

### **1. General comments**

To overcome the adverse consequences of the disaster caused by hurricanes Luis and Marilyn in Sint Maarten a programme of reconstruction is to be implemented. Concerted actions by the public and private sectors will be essential to ensure the programme's success.

All projects and activities to be included in the reconstruction programme should respond to the priority sectors and areas that were identified in Chapter II as a result of the damage assessment. They would include many subjects that can be grouped under the following three major headings: reconstruction of the social infrastructure, rehabilitation of the production and services sectors, and rehabilitation of basic service and physical infrastructure.

### **2. Reconstruction programme**

There are a number of requirements that must be complied with in the reconstruction programme.

First, all projects and activities of the programme must be designed with the exclusive purpose of solving —promptly and effectively— the specific problems caused by the disaster.

Second, their execution should not jeopardize in any way the on-going governmental efforts of social and economic development for Sint Maarten. Thus, resources for reconstruction should be additional to those of the normal development programmes of the island in order not to postpone much-needed solutions to pre-disaster development problems.

Third, resources for reconstruction should be provided in the most favourable terms possible —as regards interest rates and repayment periods— in order to take into consideration the limited financial capacity of the island government and of the low-income sectors that were affected. Projects aimed to the reconstruction of infrastructure and equipment of the tourism and trade sectors, however, can be provided under normal commercial bank conditions.

Fourth, the reconstruction programme requires the close cooperation of the Island Government authorities and of the private entrepreneurs of the hotel and commerce sectors.

Fifth, the reconstruction programme is to be undertaken in a phased approach in order to avoid the overheating of the island economy. A minimum period of three years for its execution is considered necessary. In this respect, bearing in mind recent experiences concerning the illegal settling of foreign labour following the construction boom of the late 1980s, consideration should be given by the Island Government to combine the substantial —but insufficient— domestic construction capacity with special programmes for reconstruction using foreign labour under fixed-time working permits only.

The following sections describe the main components of the reconstruction programme following the disaster in Sint Maarten. (See Table 7.)

**a) Reconstruction of social infrastructure**

In order to ensure that the restoration and reconstruction of houses and other social and physical infrastructure is made according to adequate conditions, it is essential to develop wind-resistant standards. In view of the shared situation among island states in the Caribbean in this respect, and of the possible economies of scale, a regional approach should be considered.

Many investment projects for the reconstruction and repair of housing are to be undertaken. Those addressed to the lower income population are to be carried out directly by the Island Government, while those of the more affluent sectors can be dealt with directly by the owners themselves.

A number of projects that fall into the first category have already been identified by the island government; others that refer to the second grouping are also described in Table 7. Consideration should be given to the possibility of dealing with the latter type of projects through establishing a special fund and programme in cooperation with the island's banking system whereby each interested individual could add the reimbursements received from insurance. Foreign donors may wish to contribute to such a programme.

Projects to restore the educational infrastructure and services are to be undertaken as well. Again, the Island Government has identified specific projects to address the needs of public education. Projects to attend to private education reconstruction needs are to be implemented as well.

In regard to the health sector some projects already identified by the Island Government and new proposals to repair and reconstruct public and private facilities are envisaged.

Projects to deal with the problems of unemployment including emergency employment generation, re-training of unemployed persons, and the establishment of a fund for the temporary support to the unemployed have been defined.

In addition to the above, projects to repair government buildings and churches should also be undertaken within the reconstruction programme.

**b) Production and service sector rehabilitation**

In order to rehabilitate the infrastructure and service capacity of the tourism and commerce sectors a number of specific projects are envisaged.

Specific projects to repair and reconstruct the infrastructure of the commerce sector, and to replace the equipment and furniture of same, have been identified. It is foreseen that such projects can be undertaken under a special programme that would combine insurance reimbursements received by the entrepreneurs and private-bank loans. The wind-resistant standards referred to in the previous section would be applicable in this case as well.

Numerous projects to repair and reconstruct the damaged or destroyed infrastructure of the tourism sector are to be implemented. A similar scheme of insurance reimbursement and private banking financing could be adopted, and the new wind resistant standards should be employed.

In order to inform the markets about the hotel accommodation capacity already recovered and to promote the return of tourists to the island's facilities an aggressive tourism promotion campaign is to be implemented. In view of the commonality of the problem with other nearby islands and the possible economies of scale, such campaign could be undertaken on a regional basis.

Finally, to alleviate the lower-income population's lack of resources a programme for the establishing of animal breeding facilities is to be undertaken.

### **c) Rehabilitation of basic services and infrastructure**

A number of projects are to be undertaken to restore or reconstruct the physical infrastructure and equipment of water and electricity, telecommunications, postal services and cable television are envisaged.

Other projects are to be implemented to repair and reconstruct the buildings and other facilities of the airport, docks, roads and urban infrastructure.

Several projects are also envisaged to repair or replace the stock of airplanes, private vehicles, and leisure, cargo and fishing boats, using insurance reimbursements. The need to recover many sunken boats to avoid navigation hazards and pollution of the bays and ponds is also recognized, for which foreign funds must be elicited.

## **3. International cooperation requirements**

There are reasons why the cooperation of the international community is essential if the reconstruction programme is to be effectively and opportunely implemented.

First, as was described in the preceding chapter, the Island Government does not have the capacity to meet on its own the financial requirements of reconstruction. Second, while the amount of expected insurance reimbursements is substantial, the net requirements of reconstruction are still beyond the reach of the Island Government and the private sector. Third, the government of the Netherlands Antilles has assisted by assigning limited additional operational resources to meet emergency expenditures, but is in a difficult financial position to assist in the reconstruction.

The Government of The Netherlands has also made funds available to meet not only relief expenditures but some reconstruction requirements as well. Formal discussions are presently on going in order to define a programme of financial cooperation with Sint Maarten that includes both regular development projects and reconstruction projects following the disaster. The amount of these pledged contributions is significant, but considerable resources are still required to ensure complete recovery of pre-disaster conditions.

Table 7 lists all projects that should be undertaken as part of the reconstruction programme. It shows not only the projects that are expected to be funded by the Netherlands Government under the above cooperation programme, but others for which no sufficient funding has been pledged or potential donors identified. The latter are shown in bold characters under Table 7 to facilitate their identification.

This is an opportunity for the international community to assist the reconstruction efforts already underway or envisaged in Sint Maarten, and thus ensure that the disaster effects can be overcome.

It is expected that the Governments of the Netherlands Antilles and of Sint Maarten will utilize the information included herein in their search for cooperation partners for the implementation of the reconstruction programme following the disaster.

Table 7

RECONSTRUCTION PROJECTS FOLLOWING HURRICANES  
LUIS AND MARILYN IN SINT MAARTEN

Programme	Proposed projects and activities <sup>*/</sup>	National executing agency	Possible cooperation sources	Amount required (Thousands of US\$)
1 Social infrastructure reconstruction	Urbanization of land for housing development	Island Government	Government of the Netherlands	11,000
	Reconstruction of 250 housing units in Belvedere	Idem	Idem	9,000
	Reconstruction of 62 housing units in Suckergarden	Idem	Idem	2,100
	Replacement of 250 housing units of shanty towns	Idem	Idem	6,300
	Engineering and architecture design for above	Idem	Idem	150
	Rental of temporary housing for one year	Idem	Idem	700
	Programme to repair 6,000 housing units	Local banks and private individuals	Development banks, private banks, bilateral donors	75,000
	Programme for the reconstruction of 1,000 housing units	Idem		75,000
	Programme of minimum housing unit construction	Idem	Idem	10,000
	Formulation of wind-resistant standards for house and building construction	Island Government	UNDP, HABITAT	50
	Reconstruction of public classrooms	Island Government	Government of the Netherlands	14,000
	Reconstruction of private schools, including furniture and educational material	Private schools	Development banks, insurance reimbursement	5,000
	Emergency food and uniform programme	Island Government	Government of the Netherlands	1,600
	Psychological counselling for teachers and students	Idem	UNESCO, UNICEF	150

Programme	Proposed projects and activities */	National executing agency	Possible cooperation sources	Amount required (Thousands of US\$)
2. Production and services sector rehabilitation	Repairs to medical center	Island Government	Government of the Netherlands	1,500
	<b>Construction of building for the Public Health Department</b>	Idem	Development banks, bilateral donor	1,500
	<b>Replacement of ambulance and equipment for health sector</b>	Idem	Development banks, PAHO	250
	Temporary medical assistance	Idem	Government of the Netherlands	150
	Psychological counselling programme	Idem	Idem	150
	Programme for emergency employment	Idem	Government of the Netherlands	350
	<b>Fund for temporary support to unemployed persons</b>	Idem	Bilateral sources, UNDP, ILO	2,500
	<b>Programme for re-training of unemployed labour force</b>	Idem	UNDP, ILO	3,500
	<b>Repairs to government buildings and replacement of equipment and furniture</b>	Island Government	Insurance reimbursements, development banks	2,000
	<b>Repairs to churches</b>	Churches	Insurance reimbursements	1,500
	<b>Reconstruction and repair of commerce sector infrastructure</b>	Private entrepreneurs	Insurance reimbursement, private banks	15,000
	<b>Replacement of equipment and furniture in commerce sector</b>	Idem	Idem	25,000
	<b>Repair of 2,500 hotel and resort rooms</b>	Idem	Idem	135,000
	<b>Replacement of furniture and equipment for tourism sector facilities</b>	Idem	Idem	70,000



Programme	Proposed projects and activities */	National executing agency	Possible cooperation sources	Amount required (Thousands of US\$)
3. Basic service and physical infrastructure rehabilitation	<b>Repair to common areas and buildings of the tourism sector</b>	Idem	Idem	17,000
	<b>Restoration of landscape in tourism sector, including sand beach reconstruction</b>	Idem	Idem	50,000
	Formulation of tourism development plan	Island Government Hotel Owners Association	Government of the Netherlands	100
	Tourism promotion campaign abroad	Idem	Idem Hotel Owners Association	5,000
	<b>Repair and development of animal breeding facilities</b>	Island Government	Development banks, bilateral donors	1,000
	Construction of underground cabling for telephone, electricity and cable television	Island Government	Government of the Netherlands	75,000
	<b>Reconstruction of cable television networks and equipment</b>	Private cable TV enterprise	Insurance reimbursement, private banks	5,000
	<b>Reconstruction of post office and replacement of equipment and furniture</b>	Island Government	Development banks, insurance reimbursements	1,650
	Emergency repairs to telecommunications facilities	Island Government	Government of the Netherlands	3,000
	Repair to airport building and facilities	Island Government	Insurance reimbursements, Government of the Netherlands	1,000
	<b>Repair and replacement of meteorological equipment</b>	Idem	Development banks, WMO	300
	<b>Repair of private airplanes</b>	Private individuals	Insurance reimbursements	250

Programme	Proposed projects and activities <sup>a/</sup>	National executing agency	Possible cooperation sources	Amount required (Thousands of US\$)
	<b>Replacement or repair to leisure, cargo and fishing boats</b>	Idem	Idem	8,000
	<b>Recovery of sunken boats</b>	Island Government	Bilateral donors	3,000
	Repair of roads and urban infrastructure	Idem	Government of the Netherlands	800
	Public Lighting system	Idem	Idem	500
	Landscaping of public areas	Idem	Idem	300
	<b>Repair to sports facilities</b>	Idem	Development banks	350
	<b>Repair of private vehicles</b>	Private individuals	Insurance reimbursement, private banks	900

<sup>a/</sup> Projects and activities shown in bold lettering are those that have not been included in the proposed assistance programme with the Government of the Netherlands.