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Minister of Tourism, Economic Affairs, Traffic And Telecommunications The Honorable Ms. Irania Arrindell Government Administration Building Clem Labega Square, Philipsburg St. Maarten.



September 5, 2016

Re: Transfer of Simpson Bay & Simpson Bay Lagoon to Port Group of Companies (previously Harbour Group of Companies)

Honorable Minister Arrindell,

The board of the St. Maarten Marine Trades Association (SMMTA) understands that your Ministry is considering to transfer the concession rights for the entire Simpson Bay and Simpson Bay Lagoon to the Port Group of Companies, previously referred to as the Harbour Group of Companies (hereinafter referred to as the "Port"). We urgently ask you NOT to approve this transfer.

By transferring any additional rights to the Port your Ministry will be putting the entire marine industry and a substantial portion of the economy of St. Maarten in a perilous situation. Our association and numerous other stakeholders have repeatedly called into question the activities of the Port over the past 5 years, as that entity has systematically undermined, challenged, and competed with the Private Sector while at the same time functioning as the Government's regulatory body through its wholly owned subsidiary, the Simpson Bay Lagoon Authority Corporation (SLAC).

The SMMTA informed your Ministry and the Council of Ministers (COM) about our concerns during a presentation at the Government Administration Building on February 4, 2016. We also followed up with two letters dated February 12, 2016 and March 3, 2016 which are attached hereto for your reference. Both letters and our presentation clearly indicated that there are serious concerns about the management practices of the Port and their effect on the economy of St. Maarten. To date we have not received any feedback or questions from your Ministry regarding the concerns addressed in our presentation and letters.

We would like to once again strongly urge you to reconsider the proposed transfer of Simpson Bay and the Simpson Bay Lagoon to the Port based on the many objections your Ministry in particular and Government in general has received over the years. If the transfer continues without open and transparent discussions with the Private Sector and all stakeholders, one can only assume it is being done for reasons of personal gain rather than in the best interest of Country St. Maarten.

The SMMTA stands ready to provide you with any information or assistance you may need to better understand our concerns raised above.

We thank you in advance for your consideration and trust that you will do what is truly best for Country St. Maarten, when considering transferring any additional rights to the Port.

Respectfully yours,

Brian Deher 9.5.16 President

C.C.

Council of Ministers SMMTA Board and Membership St. Maarten and International Press



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Honorable Prime Minister William Marlin Ministry of General Affairs Government Administration Building Clem Labega Square, Philipsburg St. Maarten, Dutch Caribbean

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February 12, 2016

Re: Official Request to the Council of Ministers

Dear Honorable Prime Minister Marlin,

On behalf of the board of the St. Maarten Marine Trades Association (SMMTA) I would like to thank the Council of Ministers (COM) for allowing us time to give the council a presentation on the state of St. Maarten's marine industry on Thursday February 4th, 2016. As per our presentation, the SMMTA hereby officially requests that the COM look into the following issues that currently affect the industry and consider the SMMTA's proposed actions:

- Delay or cancel the transfer of the Simpson Bay and Simpson Bay Lagoon concession to the Simpson Bay Lagoon Authority (SLAC) as the Harbour Group of Companies (Harbour), the parent company of SLAC, has proven that they interpret their concession in Great Bay in such a way that gives them unreasonable powers and authority over the private sector and this should not be allowed to transpire in Simpson Bay. The authority requested by SLAC and the Harbour should be retained by Government
- Eliminate or restrict the Harbour's ability to change the Through-Put Fees on containers and fuel without parliamentary approval. The changing of these fees can have extreme effects on the macro-economy of St. Maarten and should not be left in the hands of a profit driven entity
- Investigate the option of setting up a "Tax-Free" status for yachts purchasing large quantities of fuel on St. Maarten. For instance, any quantities of fuel in excess of 50,000 liters per fueling, per yacht would not be subject to specific taxes, such as the through-put fee charged by the Harbour. This would help drive more yachting business to St. Maarten during the shoulder seasons of October & November then again in April & May. Currently the price of fuel on St. Maarten is not competitive with other islands in the region
- Work with the SMMTA to explore the option of re-starting a St. Maarten Boat Show. It is imperative that the SMMTA work with the relevant government departments as a successful boat show will only be possible by getting industry support from many of the marine companies in the US and Europe



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- Investigate why SLAC doesn't provide the SMMTA and the general public with up-todate data regarding the movement of vessels, passengers and crew in and out of the relevant ports and specifically vessels transiting through the Simpson Bay Bridge. This data would assist the SMMTA in making proper business cases for multi-annual planning purposes
- Investigate why the initial mandate of SLAC to facilitate the activities in the Simpson Bay Lagoon has been changed to allow SLAC to now control and compete with private sector businesses that it was set up to support
- Require SLAC to reduce or eliminate the Bridge and Mooring fees for boats under 60' to help increase occupancy of smaller boats which are more likely to use services on St. Maarten.
- Require the Harbour to break out the financial information relevant to the operations of SLAC and share it with the Government, SMMTA, and the general public so everyone can better understand what revenue is generated from the Bridge and Mooring fees and what expenses are incurred. SLAC should be required to provide details on what services they provide in Simpson Bay and what the future plans are
- Require SLAC to reduce bridge and mooring fees during the month of November to support the Spotlight St. Maarten initiative where marinas reduce their rates by over 70% in some cases to help attract marine related business to the island before the start of the high-season.

Additional information regarding the above requests was provided in the presentation given last week but if you would like any more details or if you have any questions regarding the above please let us know.

I thank you once again for your time and attention to the above requests.

Respectfully yours,

Brian Deher

President

C.C. Council of Ministers SMMTA Board and Membership



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Honorable Prime Minister William Marlin Ministry of General Affairs Government Administration Building Clem Labega Square, Philipsburg St. Maarten, Dutch Caribbean

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March 3, 2016

Re: Official Request to the Council of Ministers

Honorable Prime Minister Marlin,

The board of the St. Maarten Marine Trades Association (SMMTA) hereby formally requests that an official investigation be launched into the decisions and actions taken by the executive management team of the Port St. Maarten Group of Companies (PORT) as they pertain to the oversight, wellbeing and growth of the Marine Industry on St. Maarten in general and in the Simpson Bay/Simpson Bay Lagoon area in particular.

The SMMTA has voiced its concerns for many years about how the PORT directly and unfairly competes against the private sector that is regulated by SLAC, a wholly owned subsidiary of the PORT. The SMMTA has offered and will continue to offer evidence that questions the motives and actions of the PORT's executive team, as we did in our presentation to the COM on February 4, 2016.

Should you need the SMMTA to provide additional information about the above please let us know. The Board and the SMMTA's vast membership stand ready to assist in any way possible to help shed light on the issues with the PORT in an effort to improve the current situation for St. Maarten's marine industry which presently contributes in excess of 15% of our young nation's GDP.

Respectfully,

Dal 2 3/16 Brian Deher

President

C.C. Council of Ministers SMMTA Board