

Assessment of St. Maarten's Climate response



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### **PROLOGUE**

Climate change is one of the most urgent challenges of our time and requires a well-considered, effective, and well-coordinated approach. The consequences of a changing climate are becoming increasingly visible worldwide and on our island. Rising temperatures, extreme weather conditions, and the impact on our natural ecosystems and infrastructure underscore the need for a solid climate policy.

During a presentation to the International Association of Economic and Social Councils and Similar Institutions (AICESIS) on December 7, 2021, the Social and Economic Council of the Netherlands (SER) reported that St. Maarten has the highest  $CO_2$  emissions per capita in the Caribbean. Several factors contributed to this conclusion, including a heavy dependence on fossil fuels for energy, a large number of vehicles, the significant importation of processed foods from oil-intensive industries, and notably high waste production per inhabitant.

This further emphasizes why the General Audit Chamber prepared this report, which offers an in-depth analysis of the government's current efforts regarding climate change. The report assesses the effectiveness of policy measures and the challenges and opportunities for further progress. We utilized the <a href="ClimateScanner">ClimateScanner</a> methodology, an internationally recognized tool that provides insights into climate governance, policy, and funding actions.

This report contributes to a better understanding of the current situation and serves as a guide for policymakers, civil society organizations, and other stakeholders in developing effective climate policy. We thank all those involved for their cooperation and efforts and look forward to a constructive dialogue on the next steps towards a more sustainable future.

Please click here for more information about the results of the ClimateScanner.

### SUMMARY

The General Audit Chamber assessed Sint Maarten's national climate policy in 2024/2025 using the international <u>ClimateScanner</u> methodology. This method assesses three core components: governance, policy, and financing.

The findings reveal that although the importance of climate action is acknowledged — for instance, through commitment to the SDGs and initiatives like the National Development Vision 2020–2030 — implementation remains fragmented and largely uncoordinated. There is no central legal framework or coordinating mechanism, leading to scattered efforts by various ministries. Monitoring structures and clear lines of accountability are lacking.

While Sint Maarten formally endorses SDG 13, it is not a party to the Paris Agreement. As a result, there are no binding obligations nor direct access to international climate funds. National climate policy is underdeveloped, and many initiatives are outdated or lack concrete implementation.

Since 2015, no structural budget has been allocated for climate measures. Incentives to encourage private investment in sustainability are also absent. Compared to other Caribbean islands, such as Barbados and Dominica, Sint Maarten is falling behind.

The ClimateScanner shows that without legal anchoring, structural financing, and measurable goals, effective climate action is difficult to achieve. We therefore call for an integrated, long-term strategy with clear priorities, capacity building, and active international cooperation.

This report provides guidance to policymakers and stakeholders in strengthening climate resilience and building a sustainable future for the island.

#### 1. OUR ASSESSMENT

#### 1.1 Approach

INTOSAI commissioned the ClimateScanner methodology¹. INTOSAI is the global association of national audit institutions that exchanges knowledge and experience to enhance government oversight. The Scanner is a tool created for INTOSAI by the Supreme Audit Institution of Brazil to evaluate climate policy using a clear and structured approach. This investigation combines qualitative and quantitative analysis methods to provide a comprehensive understanding of the situation in St. Maarten. The approach includes the following steps:

- 1. **Document Analysis**: An extensive analysis was conducted of laws, policy documents, and reports on climate change, the National Energy Plan (2014), and the Development Vision 2020-2030, including the Nand reports from the UN and the World Bank.
- 2. **Stakeholder Discussions**: Consultations were held with policymakers at the Ministry of VROMI to gain insight into the implementation and effectiveness of the climate policy. We thank the ministry for their input during the investigation.
- 3. **Comparative Analysis**: The ClimateScanner initiative compares St. Maarten's climate measures to those of other (island) nations in the Caribbean region. Curaçao, for example, published its ClimateScanner report on September 16, 2024. As part of our research, we made a global comparison, which helped us identify possible improvements to St. Maarten's policy.
- 4. **Data Analysis**: Quantitative data has been gathered on greenhouse gas emissions, climate finance, and the implementation of climate adaptation measures. This data has been examined to reveal trends and bottlenecks in policy.
- 5. **Assessment using ClimateScanner Indicators**: The document analysis, consultations, and results of data analysis were evaluated through the ClimateScanner indicators. This included examining the extent of institutionalization of climate policy, the strategic approach, coordination among government agencies, and the availability of funding for climate initiatives.

#### 1.2 Research Limitations

This assessment offers an overview of St. Maarten's climate policy; however, it has limitations, including a lack of current data, restricted access to government documents, and insufficient monitoring evaluation.

### 1.3 Research Questions

Our assessment is based on the ClimateScanner and the government's initiatives to combat or mitigate climate change. The main questions of the assessment are as follows:

- 1. TO WHAT EXTENT HAS THE GOVERNMENT DEVELOPED AN EFFECTIVE GOVERNANCE AND POLICY FRAMEWORK FOR CLIMATE CHANGE?
- 2. WHAT SPECIFIC MEASURES HAVE BEEN TAKEN TO REDUCE THE IMPACT OF CLIMATE CHANGE, AND HOW EFFECTIVE ARE THESE MEASURES?
- 3. TO WHAT EXTENT HAVE FINANCIAL RESOURCES BEEN MADE AVAILABLE AND EFFECTIVELY DEPLOYED FOR IMPLEMENTING CLIMATE MEASURES?

#### 1.4 Reading Guide

We explain what the Climate Scanner is in Chapter 2. Chapter 3 deals with the three topics (governance, policy, and financing). Chapter 4 contains the Scanner results for St. Maarten. Chapter 5 concludes with a response from the Minister of VROMI and our epilogue.

 $<sup>^{\</sup>rm 1}$  INTOSAI: International Organization of Supreme Audit Institutions.

### 2. WHAT IS THE CLIMATESCANNER?

#### 2.1 Background

The ClimateScanner is a tool developed by INTOSAI² that allows Supreme Audit Institutions worldwide to evaluate their respective governments' approaches to climate change. This instrument offers a systematic assessment of the governance, policy measures, and financial aspects of climate action. Given the increasing urgency of climate change and the government's role in shaping effective mitigation and adaptation strategies³, it is important to take a structured approach to charting progress and challenges.



More than one hundred national Supreme Audit Institutions have committed to implementing ClimateScanner.<sup>4</sup>

Like many other island nations, Sint Maarten is directly confronting the consequences of climate change, such as rising sea levels and extreme weather conditions. The Climate Scanner helps assess the degree to which government policy responds to this and provides recommendations for improvement.

#### 2.2 How does ClimateScanner work?

To perform the ClimateScanner, the Supreme Audit Institutions (SAIs) collect data from policy documents, financial reports, and stakeholder consultations. They then analyze and assess this data using a standardized framework (the ClimateScanner), after which conclusions and recommendations are formulated. This process enables SAIs to measure the effectiveness of climate policy and suggest areas for improvement for each respective government. The ClimateScanner provides a graphical representation of the results. Figure 1 shows an example of a result from the ClimateScanner for a fictional country.

Figure 1: example graphical representation of the ClimateScanner of a fictional country



Figure 1 presents the results per subject and sub-section in a visual bar chart. The different colors represent the categories of governance, policy, and funding. The higher the bar, the further the implementation and execution of climate mitigation and adaptation measures.

<sup>&</sup>lt;sup>2</sup> INTOSAI: *International Organisation of Supreme Audit Institutions*, an independent body that operates as an umbrella organization for the external audit community in the public sector.

<sup>&</sup>lt;sup>3</sup> Člimate change mitigation means reducing emissions of greenhouse gases (GHG) to lessen the severity of future warming. Adaptation refers to adjustments in ecological, social, or economic systems in response to actual or expected climate stimuli and their effects or impacts. <u>United Nations Framework Convention on Climate Change (UNFCCC)</u>

 $<sup>^4</sup>$  https://www.undp.org/pacific/blog/leveraging-climatescanner-methodology-enhancing-policy-and-climate-action-pacific-and-caribbean-sids

### 2.3 Objectives

The ClimateScanner aims to provide insight into how governments are tackling climate change. To do this, it focuses on three topics:

- 1. **Governance** Evaluation of the institutional frameworks, strategic planning, interdepartmental coordination, and accountability mechanisms concerning climate policy.
- 2. **Policy Measures** National and sectoral strategies analysis, including coordination with international treaties such as the Paris Accord.
- 3. **Finance** Assessment of budgets, access to international climate funding and private investment in sustainable initiatives.

The ClimateScanner assesses how governments are tackling climate change. This is done by looking at legislation and regulations, strategic planning, cooperation between agencies and transparency in policy. The following chapter will discuss the topics of Governance, Policy Measures and Funding in more detail.

### 3. GOVERNANCE, POLICY AND FUNDING

#### 3.1 Climate Governance

Governance includes the legislation, regulations, policy frameworks, and accountability mechanisms that determine how climate measures are developed and implemented. However, St. Maarten lacks a comprehensive legal framework for climate change. Although some policy documents, such as the National Development Vision 2020-2030, mention climate resilience, there is no specific climate law that establishes responsibilities, objectives, and monitoring mechanisms.

#### 3.1.1 Limited Coordination between Government Agencies

No central agency is responsible for climate policy, resulting in fragmented initiatives from various ministries and organizations. This lack of cooperation leads to inefficient policy implementation and limited resource utilization. International partnerships, such as those with UNOPS and the World Bank, play a supporting role, but no national mechanism exists to systematically integrate these efforts.

#### 3.1.2 Undefined Accountability Framework

There is no clear accountability structure. The mechanisms for monitoring and evaluating climate measures have barely been developed, resulting in a lack of systematic assessment of policy measures and their effectiveness. This hinders the ability to implement improvements and adjust policy measures.

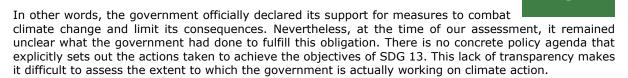
#### Opinion on Governance

To improve governance with regard to climate change, legislation is needed that establishes responsibilities and objectives, as well as a central coordinating institution and a transparent monitoring system. Without these elements, climate policy will remain reactive and incoherent.

#### 3.2 Climate Policy

Global efforts are being made to limit the impact of climate change. Governments are drawing up strategies and legislation to achieve climate mitigation and adaptation, often collaborating jointly with international partners. For St. Maarten, climate policy is important due to the island's vulnerability to hurricanes, rising sea levels, and extreme weather conditions. Steps have been taken to promote climate resilience, but a structural and binding long-term strategy is lacking. And this despite the fact that, according to sources, St. Maarten has the highest CO<sub>2</sub> emissions per capita in the Caribbean.<sup>5</sup>

3.2.1 International Obligations: SDG 13 (Climate action) and the Paris Accord In September 2015, St. Maarten, part of the Kingdom of the Netherlands, committed to the Sustainable Development Goals (SDGs), including SDG 13, which focuses on climate action. This commitment was made during the United Nations General Assembly, where the SDG 2030 Development Agenda was adopted.<sup>6</sup>



Furthermore, St. Maarten is not an independent signatory to the Paris Accord. This international climate agreement, which was adopted by 196 countries under the United Nations in 2015, aims to keep global warming well below 2°C, with a maximum target of 1.5°C. The treaty obliges countries to draw up and update national climate plans (Nationally Determined Contributions - NDCs), in which they set concrete emission reduction targets. Since St. Maarten is not an autonomous country recognized by the UN, it cannot join the treaty on its own. The Netherlands is a party to the treaty, but the associated obligations and emission targets do not automatically apply to St. Maarten.

### 3.2.2 Consequences of not being party to the Paris Accord

The fact that St. Maarten is not part of the Paris Accord has unfortunate consequences. First, it means there are no binding obligations for St. Maarten to legally establish emission reductions or climate measures. This results in a lack of pressure for national policy, which makes it more difficult to implement

CLIMATE

 $<sup>^{5} \, \</sup>underline{\text{https://aicesis.org/publications-docman/publications/130-social-economic-council-aicesis-presentation-climate-change/file} \\$ 

<sup>&</sup>lt;sup>6</sup> https://www.unesco.sx/news/st-maarten-embraces-the-sdg-2030-development-agenda/

climate action structurally and measurably. In addition, without participation in the treaty, St. Maarten cannot directly appeal to specific funding mechanisms, such as the <u>Green Climate Fund</u>, which is intended to support developing countries in climate measures.

Yet Sint Maarten has not been left entirely out of global climate efforts. As part of the Kingdom, it can indirectly benefit from Dutch and European climate efforts and funding opportunities. Moreover, despite the lack of formal obligations, there is a responsibility to contribute to global climate action.

#### 3.2.3 National Policy & Implementation

The government has officially committed to SDG 13, but it remains unclear what measures have actually been taken to realize this goal. There is no national climate plan that specifically translates SDG 13 into concrete actions and legislation. Policy documents such as the <u>National Development Vision 2020-2030</u> and the <u>National Energy Policy 2014</u> (since outdated) contain some elements of sustainability and energy transition but lack a systematic approach to climate mitigation and adaptation. In addition, there is little structural investment in renewable energy and climate-proof infrastructure.

As part of the Kingdom of the Netherlands, St. Maarten actively participates in the  $IPDC^7$ . In March 2024, the University of St. Martin (USM) and policy advisors from VROMI represented the country during the IPDC conference in Rotterdam. This participation underlines St. Maarten's commitment to tackling climate challenges in the Caribbean.

In August 2024, the <u>IPDC</u> <u>published a report on the state of climate adaptation</u>, with contributions from all the Dutch Caribbean islands, including St. Maarten. The report highlights the unique challenges of each island and identifies specific strategies and plans that have been implemented to adapt to the changing environment. It emphasizes the importance of international cooperation and local communities' role in addressing climate change's effects. Through its involvement in the IPDC, St. Maarten is working with other Caribbean countries to develop and implement climate adaptation strategies, focusing on water management, coastal protection, and sustainable development to increase resilience to the effects of climate change.<sup>8</sup>

Additionally, the <u>Spatial Development Strategy 2030</u> is notable. This document, published by the Ministry of VROMI, emphasizes sustainable spatial development and highlights the importance of climate resilience and renewable energy. According to the document, many previous spatial developments occurred without a coherent policy framework, resulting in uncontrolled expansion, destruction of natural areas, and inadequate infrastructure. The plan stresses the need to implement sustainable development strategies and incorporating nature conservation into spatial planning policy.

Another good example is the <u>Nature Policy Plan 2021-2025</u>. Underlying this document is the fact that biodiversity on St. Maarten is seriously threatened by uncontrolled economic development, pollution, and climate change. It acknowledges that nature plays an important role in climate adaptation and economic stability and calls for an integrated approach that includes nature conservation in economic and spatial planning. However, despite these policy intentions, structural investments in renewable energy and climate-resilient infrastructure are limited.

Nevertheless, the absence of a central coordinating agency for climate policy leads to a fragmentation of initiatives and a lack of monitoring. Consequently, there is no systematic evaluation of climate measures, which makes it difficult to adjust and improve policy objectives. There is also no legal obligation for, among others, the energy, transportation, and construction sectors to reduce emissions, which complicates policy implementation.

 $<sup>^{7}</sup>$  IPDC refers to the International Panel on Deltas and Coastal Areas. This initiative supports deltas, coastal areas, and islands in their efforts to adapt to the impacts of climate change.

<sup>&</sup>lt;sup>8</sup> Response from the Ministry of VROMI dated January 21, 2025.

#### **Opinion on Climate Policy**

The position of St. Maarten with regard to climate policy is complex.

Formally aligning with SDG 13 demonstrates an intention to take climate action seriously, but the actual implementation of policy remains unclear. The lack of participation in the Paris Accord is a structural obstacle, as there are no binding obligations or access to international climate funds.

Yet the country has a responsibility to take climate action seriously, both because of its vulnerability and because of the international cooperation opportunities that depend on active climate policy. Without a well-structured climate strategy with concrete goals, financing, and monitoring, it will remain practically impossible to make sustainable progress.

#### 3.3 Climate Funding

Sufficient funding is, of course, also part of implementing effective climate action. Governments that commit to international sustainability goals, such as SDG 13, are expected to develop financing mechanisms to support climate measures. This includes both public investment and attracting international and private funds. In many countries, budgets are allocated for climate adaptation and mitigation, often as part of broader economic and development strategies. However, in St. Maarten, since the recognition of SDG 13 in 2015, no structural funding for climate action has been included in the national budgets. This means that no specific funds have been set aside to support sustainable initiatives or address climate change's consequences. Without a clear budget, it is difficult to implement long-term measures such as investments in renewable energy, infrastructure improvements and emission reductions. The lack of targeted funding hinders the implementation of national climate policy.

Incentives to promote private investment in climate projects are also lacking. Other countries use tax incentives, subsidies, and regulations to encourage companies and citizens to invest in sustainability, such as solar energy, energy-efficient construction projects, and climate-resistant infrastructure.

Despite this, the government is committed to securing certain funds. The Ministry of VROMI has stated that all reporting obligations regarding EU funds in which St. Maarten participates will be fulfilled during the current term of government. Although there have been delays in the past with significant subsidies in cooperation with St. Martin, the reporting structure is currently in place. At the same time, Sint Maarten is likely not yet adequately equipped to access larger climate funds such as the Green Climate Fund (GCF), the Global Environment Facility (GEF), and the Adaptation Fund (AF); these are currently unavailable to the nation. Further capacity building and institutional strengthening are essential for making optimal use of these funding sources.

<u>Barbados</u>, for example, offers tax exemptions and financial incentives for investments in solar energy and sustainable technologies. <u>Jamaica's Integrated Resource Plan (IRP)</u> promotes renewable energy. The government offers tax breaks and subsidies for solar and wind energy investments and energy-efficient equipment. And after Hurricane Maria in 2017, <u>Dominica</u> aims to become the first climate-proof country. The government offers tax exemptions for sustainable building materials and renewable energy equipment. In St. Maarten, such mechanisms are lacking, resulting in the transition to a more sustainable economy mainly dependent on individual and small-scale initiatives without structural financial support.

#### **Opinion on Climate Funding**

To effectively integrate climate financing into the policy of St. Maarten, a structural approach is required. This includes including climate budgets in the national budget, setting up national funds for sustainable projects, and actively approaching international sources of funding. Without these steps, financing climate action will remain a major bottleneck, seriously limiting the effectiveness of climate policy.

### 4. RESULTS OF THE CLIMATESCANNER FOR ST. MAARTEN

The ClimateScanner assessment of St. Maarten maps out how we as a country perform in climate governance, policy measures, and funding. Our analysis shows that there are efforts underway to address climate change, but that there are significant gaps in the implementation and structural embedding of climate policy.

#### 4.1 Result of the ClimateScanner for St. Maarten

Our analysis, submitted in draft form to the policy department of the Ministry of VROMI to verify the accuracy and completeness of our findings and identify possible additions, led us to the final result shown in Figure 2.

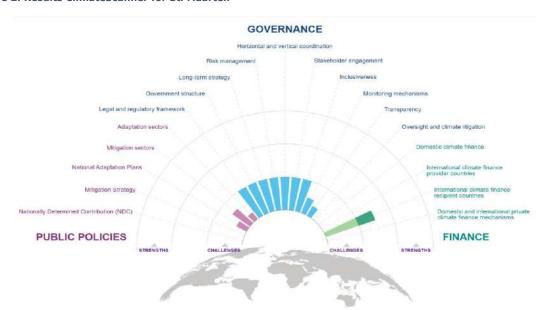


Figure 2: Results ClimateScanner for St. Maarten

We note that we could not find information for the components without a visible bar graph. It is also important to mention that since St. Maarten is not participating in the Paris Accord, the so-called NDCs are not being measured.

#### 4.2 Current Efforts

St. Maarten has undertaken various initiatives that contribute to climate adaptation and mitigation. The National Development Vision 2020-2030 recognizes climate change as a major challenge and emphasizes the need for sustainable infrastructure and improved disaster resilience. Initiatives in renewable energy and sustainable waste management also exist. For example, the National Energy Policy 2014 states that dependence on fossil fuels must be reduced and the energy infrastructure must be more resilient. In addition, the Wastewater Management Project is working on improving wastewater processing, which indirectly contributes to climate adaptation.

#### 4.3 Shortcomings and Areas for Improvement

Even with the initiatives mentioned above, climate policy has serious shortcomings. One of the biggest problems is the lack of a legal framework for climate change. There is no comprehensive climate law, and climate measures are implemented in a fragmented way without legal obligations or a central coordinating body.

Moreover, the funding for climate action is insufficient. Since St. Maarten committed to SDG 13 in 2015, no national budget has explicitly included a budget for climate measures. This results in a lack of structural funding for sustainable initiatives and infrastructure.

This not only complicates policy implementation but also limits access to international climate funds such as the Green Climate Fund.

Another point of concern is the lack of monitoring and accountability mechanisms. No formal systems are in place to measure climate policy progress or to account for the measures taken. It is, therefore, unclear how effective the initiatives are and what changes are needed to achieve the objectives of SDG 13.

## 5. RESPONSE AND EPILOGUE

In accordance with our audit protocol, the General Audit Chamber provided the relevant department head within the Ministry of VROMI the opportunity to respond to our preliminary findings. A response was received within the indicated timeframe, and the feedback contributed to additional insight into ongoing efforts.

The Minister of VROMI was also invited to respond on April 14, with a deadline set for April 23. Despite an extension, no response was received.

The ClimateScanner assessment provides a first-time, structured insight into St. Maarten's response to the growing challenges posed by climate change. As a small island developing state, St. Maarten is highly vulnerable to climate-related risks such as hurricanes, coastal erosion, and rising sea levels. These realities demand a coordinated, forward-looking approach supported by solid governance, policy frameworks, and adequate financial resources.

Our findings indicate that while initial steps have been taken and the intention to address climate change is evident, the absence of a legal framework, institutional coordination, and long-term financing mechanisms limits the effectiveness of current efforts. Without clear responsibilities, measurable goals, and systematic monitoring, climate policy risks remaining reactive and fragmented.

We believe this report offers Parliament, the Government, and stakeholders a valuable tool for reflection and action. By adopting a more integrated and strategic approach, St. Maarten can strengthen its climate resilience, meet international expectations, and safeguard the well-being of current and future generations.

The General Audit Chamber remains committed to contributing to good governance and transparent public policy, including in the vital domain of climate action. We trust this report will support constructive dialogue and informed decision-making on the island's path toward sustainability.



