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April 3, 2020

Minister of Finance  
Mr. A. Irion  
Government Administration Building  
Souliga Road 1, Pond Island  
Phillipsburg  
Sint Maarten

Our ref: KK/mmh/2020-002806

**Re: Transfer of the funds of the “Sint Maarten Reconstruction, Recovery and Resilience Trust Fund” from the World Bank to the Central Bank of Curaçao and Sint Maarten (CBCS)**

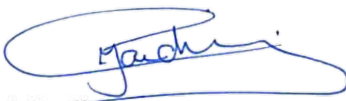
Dear Mr. Irion,


The outbreak of coronavirus (COVID-19) presents Sint Maarten with major and evolving challenges. Tourism, which is the main source of foreign income in Sint Maarten, is currently one of the most affected sectors. This will inevitably have an impact on the foreign reserves and the import coverage, and will put significant pressure on the stability of the currency. Transferring the funds of the “Sint Maarten Reconstruction, Recovery and Resilience Trust Fund” from the World Bank account to an account at the CBCS will increase the monetary union’s foreign reserves, enabling the CBCS to strengthen its position in safeguarding the currency.

This transfer would only entail the administration of the funds and will not impact the current procedures between the National Recovery Program Bureau (NRPB), Steering Committee and World Bank, nor will it impact current and future project commitments.

Given our official position with regards to the transfer of the funds, the CBCS advises the government of Sint Maarten to advocate the transfer of funds and approach the Dutch government with the above-mentioned request.

Sincerely,  
Centrale Bank van Curaçao en Sint Maarten

  
J. Jardim  
Acting President

  
K. Kleist  
Head Financial Stability