

Le : 03 AVR. 2024

N° :



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MoU") is made and entered into on this day Tuesday 5th December 2023 by and between:

- Collectivité de Saint-Martin, located at Hôtel de la Collectivité Marigot B.P. 374, SAINT MARTIN, 97150 (the "First Participant")

and

- Government of Sint Maarten, located at Soualiga Road # 1 Pond Island Great Bay, Philipsburg Sint Maarten, (the "Second Participant"),

collectively known as the "Participants,"

CONSIDERING that Participants aim to enhance capacity, develop, and implement equitable, reliable, and resilient solutions for providing community drinking water on Saint-Martin.

AFFIRMING the desire of Participants to collaborate on a project aimed at providing drinking water to specific districts of the Collectivité of Saint-Martin (the "Project")

UNDERLINING, the interest of Participants to set forth working arrangements necessary to implement the Project,

THEREFORE, Participants hereby enter into this MoU.

1. Purpose and Scope.

The purpose of this Memorandum of Understanding (MoU) is to establish the framework, scope of work, terms and conditions, and responsibilities of the Participants associated with their collaboration on the Project.

As outlined below, the Participants will collaborate on the following:

Main Objectives of the Project:

This MoU provides a framework for the mutually beneficial working relationship between N.V. G.E.B.E. , acting on behalf of the Government of Sint Maarten, responsible for producing drinking water on Sint Maarten, and the ETABLISSEMENT DES EAUX ET DE L'ASSAINISSEMENT DE SAINT-MARTIN (EEASM), the designated representative of the Collectivité de Saint-Martin. The EEASM is a public institution overseeing water and sanitation services in Saint-Martin. It owns the relevant infrastructure and delegates its operation to SAUR through a public service delegation contract (DSP).

This MoU will support capacity building, sustainability, and project implementation to improve the distribution of community drinking water on Saint-Martin, addressing challenges posed by technical and mechanical issues affecting the production and distribution by SAUR.

Participant details:

- N.V. G.E.B.E. ("GEBE"): GEBE is an electrical and water distribution corporation currently working to provide safe drinking water to the entire southern side of the island, being Sint Maarten.
- ETABLISSEMENT DES EAUX ET DE L'ASSAINISSEMENT DE SAINT-MARTIN (EEASM): The EEASM assumes all public service missions related to water on behalf of the Collectivity of Saint-Martin. This includes monitoring and controlling delegation contracts, examining files for new installations, estimating project costs, technical management of non-collective sanitation, and more.

The management of public services for the production of drinking water, drinking water distribution, and sanitation has been delegated to SAUR under a 10-year contract, expiring in 2028. The sole resource for water production is seawater, treated by a reverse osmosis filtration plant established in 2006.

2. Participants' Obligations.

The Participants acknowledge their shared desire that this document does not constitute a formal agreement but serves as an understanding between Participants to collaborate in a manner fostering a genuine atmosphere of cooperation. This collaboration aims to support an effective and efficient partnership, dedicated to maintaining, safeguarding, and sustaining sound financial, managerial, and administrative commitments concerning all matters related to the Project.

A handwritten signature in blue ink, appearing to be 'D.M.', is located at the bottom right of the page.

3. Cooperation.

The Participants acknowledge possessing unique and specialized expertise, which they intend to leverage to achieve the objectives of the Project.

The delegation of water production and distribution was undertaken by the delegate of the Collectivité de Saint-Martin, EEASM who in turn, by means of a public service delegation contract has delegated this to SAUR. Water production and distribution has faced challenges due to aging infrastructure. Therefore, it has been difficult for EEASM and SAUR to meet their obligations regarding drinking water and sanitation.

To overcome this challenge, the Collectivité de Saint-Martin seeks assistance from the Government of Sint Maarten through this MoU, focusing on the organizational structure, service delivery, and coordinated implementation of drinking water supply on Saint-Martin.

Collaborative Efforts:

Participants will contribute the following unique experiences and expertise to advance the Project's objectives:

- *Government of Sint Maarten:* In collaboration with N.V. G.E.B.E., the Government of Sint Maarten will engage their expertise to assist in providing drinking water to the Collectivité de Saint-Martin.
- The Collectivité de Saint-Martin: Committed to fulfilling the Sustainable Development Goals, the Collectivité aims to ensure its population's access to a safe water supply and basic sanitation. This commitment is integral to improving overall health, socioeconomic development, and the quality of life its population deserves.

Addressing Challenges:

Weather-Related Stresses: Recent weather variations and extreme events, notably Hurricanes Irma and María in September 2017, underscore the impacts and vulnerabilities of weather-related stresses on our systems. The EEASM and SAUR, responsible for the water services and wastewater management in Saint-Martin, have faced challenges, impacting their ability to provide consistent services.

Participants acknowledge these challenges and commit to work together and support each other on providing safe drinking water to the community residents, ensuring compliance with the regulations of the Agence Regionale de Sante (ARS) of



Guadeloupe. Concurrently, the EEASM and SAUR will continue infrastructure repairs and improvements to enhance sustainability and resilience.

Commitment and Coordination:

Participants commit to supporting each other, recognizing that the activities under this MoU are not intended to replace the individual efforts of Participants involved. The cooperation activities under this MoU are not meant to replace the structural infrastructure works that are undertaken by both Participants. This collaborative approach aims to enhance and ensure a reliable provision of drinking water to the districts most impacted by the existing challenges.

4. Responsibilities.

The First Participant shall undertake the following activities under this MoU:

- In Saint-Martin, drinking and wastewater service is mainly provided by the Collectivité de Saint-Martin through the Etablissement des Eaux et de l'Assainissement de Saint-Martin (EEASM) and its delegate SAUR. Together, they serve drinking water to more than 97% of Saint-Martin's population and it provides wastewater service to approximately 70% of the population.

The Second Participant shall undertake the following activities under this MoU:

- N.V. G.E.B.E. / SEVEN SEAS (hereinafter referred to as "GEBE") is an electrical and water distribution corporation, currently working on providing safe drinking water to the whole of Sint Maarten, the southern side of the island of St. Martin. Seven Seas Water Group is a multinational developer, focused on owning and operating decentralized water and wastewater treatment plants and businesses, that assists N.V. G.E.B.E. in its mission regarding production and distribution of drinking water for Sint Maarten.

5. Resources. The Participants will endeavor to have final approval and secure any financing necessary to fulfill their individual financial contributions at the start of the Project.

The First Participant agrees to provide all material, financial, and labor resources required for infrastructure investment related to water connection activity in their respective territory (French St. Martin) of the Project.

The Second Participant agrees to provide all material, financial, and labor resources required for infrastructure investment related to water connection activity in their respective territory (Dutch St. Maarten) of the Project.

6. Communication Strategy. Communication must align with the aim of with Project, and must be undertaken in written accord between Participants. Where it does not breach any confidentiality protocols, a spirit of open and transparent communication should be adhered to. Coordinated communications should be made with external organizations to garner their support and further the aims of the Project.

7. Dispute Resolution. The Participants to this MoU concur that if any dispute arises through any aspect of this arrangement, including, but not limited to, any matters, disputes, or claims, the Participants shall confer in good faith to promptly resolve any dispute. In the event that the Participants are unable to resolve the issue or dispute between them, then the matter shall be mediated and arbitrated in an attempt to resolve any and all issues between the Participants.

8. Governing Law. This MoU shall be construed in accordance with the Treaty of Concordia.

9. Assignment. Neither Participant may assign or transfer the responsibilities or arrangements made herein without the prior written consent of the non-assigning participant.

10. Amendment. This MoU may be amended from time to time by mutual written accord of the Participants.

11. Termination. This MoU may be terminated by a mutual written accord of the Participants upon 90 days' notice.

12. Understanding. By signing this MoU, both Participants understand and conclude that:

- Each Participant will take financial and legal responsibility for the actions of its affiliates, officers, employees, independent contractors, agents, volunteers, and representatives.
- Each Participant consents to indemnify, defend and hold harmless the other to the fullest extent permitted by law from actions, demands, claims, losses, liabilities, costs (including attorney's fees), and damages.
- Each Participant shall also bear the proportionate cost of any damages arising from the fault of such Participant, its officers, agents, employees, and independent contractors. Each Participant shall carry insurance at its sole expense to cover its activities in connection with this MoU. Additionally, each Participant shall also obtain and maintain insurance for general liability, workers' compensation, and business automobile liability adequate to cover any potential liabilities.

14. Notice. All notices, demands, requests, and other communications given hereunder for purposes other than termination shall be made in writing and shall be deemed given if:

I. Delivered by hand to the Minister of Public Health, Social development and Labor of St. Maarten and the President of the Collectivité of St. Martin.

Any notices, demands, requests, and other communications returned to the sending Participant as non-delivered should be re-delivered or re-mailed to the forwarding address affixed thereto. Such communications will be deemed delivered in the same way as those that had not been returned to the sending Participant.

15. Severability. Any part or provision of this MoU that is found to be unenforceable, illegal, void, or prohibited in any jurisdiction will be ineffective without invalidating the remaining provisions and parts of the MoU. In such a scenario, the Participants will use reasonable efforts to employ and find an alternative way to achieve the same or substantially the same result as contemplated by such part or provision.

16. Authorization and Execution. The signing of this MoU does not constitute a formal agreement and as such it intends for the Participants to the best of their abilities, strive to reach the objectives stated in this MoU.

The MoU shall be signed by the First Participant's Representative President Louis Mussington and the Second Participant's Representative Minister Omar Ottley and shall be effective as of the date first written above.

Collectivité de Saint-Martin
President Louis Mussington

Date: 05/12/2023

Government of Sint Maarten
Minister Omar Ottley

Date: Dec-5-2023