



Integrated Country Strategy

Dutch Caribbean

FOR PUBLIC RELEASE

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1. Chief of Mission Priorities

The U.S. Consulate General in Curaçao is an independent Mission, headed by a Chief of Mission (COM), reporting directly to the Bureau of Western Hemisphere Affairs (WHA). The Consular district includes the six Caribbean entities of the Kingdom of the Netherlands (KON) — Aruba, Bonaire, Curaçao, Saba, Sint Eustatius, and Sint Maarten — and has a combined population of approximately 320,000. The three largest (Aruba, Curaçao, and Sint Maarten) have “autonomous country” status within the Kingdom, while the three smallest islands are overseas municipalities of the Netherlands. The Consulate General, based in Curaçao, now has four Foreign Service positions. The Consul General is a designated Chief of Mission (COM) position as defined by 2 FAH-2 H-112. There are a total of 37-40 USDH positions under COM authority, including seven Drug Enforcement Administration (DEA) positions, two Department of Defense (DOD) military liaison positions, and 24-27 USDH positions of Customs and Border Protection (CBP) on Aruba (CBP is endeavoring to ascertain the exact number of authorized positions in Aruba as the pre-clearance facility there was established over 30 years ago). DOD is planning to reinstate the Force Protection Detachment (FPD) position. In addition, although not under COM authority, there are U.S. Air Force Forward Operating Locations (FOLs) on Curaçao and Aruba, with 11 personnel on one-year deployments, a fluctuating number of TDY personnel, and over 60 U.S. and local contractors.

The U.S. Consulate General will continue to focus on four areas of mutual interest: strengthening U.S. national security and countering transnational crime and criminal networks and regional instability; assisting U.S. businesses interested in trade and investment in the region; protecting American citizens and facilitating people-to-people ties; and enhancing positive attitudes towards the U.S. and support for U.S. policies.

As an independent Consulate General, the mission performs many Embassy-like functions with only four State Department officers. This includes providing ICASS services and coordinating among various U.S. military and civilian agencies focused on protecting the U.S. homeland and citizens by combating illicit trafficking and international organized crime. In terms of budget, the Consulate General is by far the smallest of all missions in the Bureau of Western Hemisphere Affairs with a correspondingly small level of discretionary spending.

The conduct of bilateral relations with the Dutch Caribbean is complicated by each island’s unique position within the KON, with the Kingdom responsible for foreign affairs, defense, and some judicial matters. The KON also reserves authority on “Kingdom matters,” which include human rights, rule of law, and good governance. However, Aruba, Curaçao, and Sint Maarten are largely autonomous in the areas of law enforcement, education, health, taxation, budgets, customs, immigration, and other “national” matters, including civil aviation oversight. Each of the three autonomous islands maintains its own department of foreign affairs.

Accordingly, post has to deal with four different governments on all issues of importance to the U.S. Substantial other agency assets, including two FOLs in Curaçao and in Aruba, a DEA resident office, a Department of Homeland Security (DHS) CBP preclearance facility in Aruba, and military liaison personnel have created a positive synergy in meeting Mission goals. The U.S. military presence, at the FOLs and during frequent ship visits, supports the USG priority of enhancing regional security. The FOLs provide support for U.S. and partner country counter-narcotics air monitoring and interdiction operations under the coordination of Southern Command's Joint Interagency Task Force-South (JIATF-S). Although the FOLs are not under COM authority, the COM has general oversight and country clearance responsibilities to ensure that FOL operations conform to the bilateral agreement with the KON, and the FOL in Curacao is considering signing on to some ICASS services. In November 2014, the United States and the KON agreed to renew the FOL agreement for another five-year period, beginning November 2, 2016.

The CBP preclearance facility in Aruba is also under COM authority. With 24-27 CBP positions, it protects the U.S. against terrorism, drug trafficking, alien smuggling, and other criminal activity while expediting entry into the U.S. for more than 800,000 U.S. citizens and visitors annually. DHS is in negotiations with Sint Maarten to establish a pre-clearance facility there, which would add another 25-30 DH Americans under Curacao's COM authority.

The political and economic instability of the southern Dutch Caribbean's largest neighbor, Venezuela, continues to affect the islands. Tourism from Venezuela, a major source of income for Aruba, Curacao and Bonaire has dropped off significantly; mismanagement and problems at the Venezuelan oil company, Petroleos de Venezuela, S.A. (PDVSA), has negatively impacted the oil refineries in Curacao and Aruba, affecting those countries' economic activity; and illicit migrant flows from Venezuela have increased as the situation there has deteriorated. Law enforcement authorities have also noted a rise in violent and organized criminal networks, possibly perpetuated by Venezuelans.

The Dutch Caribbean islands are attractive markets for U.S. products, services, and investments. U.S. firms operate fuel bunkering and storage facilities in Aruba and St. Eustatius. U.S. investors – large and small – also have a significant stake in the tourism sector, particularly in Aruba and Sint Maarten. U.S. companies are also interested in oil exploration and renewable energy projects in the region. Aruba and Curaçao benefit from trade preferences under the Caribbean Basin Economic Recovery Act (CBERA), and since 2013, Curaçao has benefitted from the expanded Caribbean Basin Trade Partnership Act (CBTPA). The United States annually exports \$2.3 billion USD in goods to Aruba, Curacao, and Sint Maarten. The largest export is petroleum (\$957 million USD in 2017) which is mostly destined for transshipment from Curacao and Aruba, but these three countries import a wide range of U.S. products, including more than \$700 million USD in food and commodities in 2017. Economic development of these island economies has a

direct impact on the U.S. economy. Increasing U.S. trade and investment in the energy, tourism, and finance areas will be a focus over the next three years.

Hurricanes Irma and Maria in September 2017 stretched post's capabilities greatly. Although the hurricanes did not directly affect Curacao, the direct hit on Sint Maarten by Irma, and the damage to Dominica by Maria required extensive post involvement. Post was hampered by the small size of its mission and was stretched to over capacity during the aftermath of the hurricanes. Post is only capable to respond to major crises with extensive regional support.

2. Mission Strategic Framework

Mission Goal 1: Strengthen cooperation to combat transnational criminal threats, particularly in narcotics, human, and weapons trafficking.

Mission Objective 1.1 Increase law enforcement and military cooperation to combat transnational criminal organizations; counter narcotics, human, and weapons trafficking; increase local capability and capacity.

Mission Objective 1.2 Secure U.S. borders through Expanded Customs and Border Protection Pre-Clearance Facilities.

Mission Objective 1.3 Develop new mechanisms to strengthen crisis management coordination and cooperation to prepare for and respond to refugee/migrant flows, hurricanes, and other natural disasters.

Mission Goal 2: Promote U.S. Business Interests, including in Energy, Tourism, and Finance.

Mission Objective 2.1 Secure opportunities for U.S. business to partner with the governments in the Dutch Caribbean on existing energy infrastructure and new renewable energy projects leading to the achievement of sustainable energy security and promotion of best practices throughout the Caribbean.

Mission Objective 2.2 Identify opportunities to increase U.S. tourism and support U.S. airline, hotel, cruise ship, and tourism markets, leading to a significant increase in U.S. hotels, flights to/from the U.S., and opportunities for U.S. tourism businesses.

Mission Objective 2.3 Identify opportunities for and assist U.S. financial institutions in promoting a fair and level playing field, leading to the repeal of discriminatory legislation and the adoption of non-discriminatory legislation.

Mission Goal 3: Protect U.S. citizens and Increase People-to-People Connections.

Mission Objective 3.1 Engage Dutch Caribbean host governments to implement and/or enhance tourism security and victims assistance programs.

Mission Objective 3.2 Increase Student and Professional Exchanges between the United States and Dutch Caribbean

Mission Goal 4: Enhance Positive Attitudes towards the U.S. and Support for U.S. Policies.

Mission Objective 4.1 Provide greater opportunities to promote and discuss U.S. policy through social media platforms and increased outreach.

Management Objective 1: Construct a New Consulate Compound (NCC).

Management Objective 2: Recruit and retain proper staffing for the Consulate, including staffing from other agencies.

Management Objective 3: Ensure post's preparedness for a major natural disaster.

3. Mission Goals and Objectives

Mission Goal 1 Strengthen cooperation to combat transnational criminal threats, particularly in narcotics, human, and weapons trafficking

Description and Linkages: Partner with the Dutch Caribbean to counter transnational criminal organizations, strengthen U.S. border security, improve local law enforcement capabilities, enhance emergency management preparation and response, and address illegal immigration. (National Security Strategy (NSS), Joint Strategic Plan (JSP), and Joint Regional Strategy (JRS))

Mission Objective 1.1 Increase law enforcement and military cooperation to combat transnational criminal organizations; counter narcotics, human, and weapons trafficking; increase local capability and capacity.

Justification: The islands of the Dutch Caribbean are transit points for transnational criminal organizations, particularly drug trafficking and money laundering. Human and weapons smuggling and trafficking have also been issues affecting the safety and security of the islands and the region. Under the Kingdom structure, the Netherlands is responsible for foreign relations and defense of the Dutch Caribbean. The Royal Netherlands Navy maintains a naval presence in the Dutch Caribbean, focusing on counter-narcotics (CN), search-and-rescue, and maritime environmental protection. The Commodore is also Commander of Task Group 4.4 (CTG 4.4) of JIATF-S and responsible for central parts of the Caribbean in coordination with U.S. and French military and Coast Guard counterparts. A U.S. Navy officer under COM authority is permanently assigned to Parera Naval Base to liaise between JIATF-S and the Dutch military to provide on-the-ground coordination with Dutch assets in the region. Post will look to increase cooperation and information-sharing with local military and law enforcement units to improve detection, interdiction, and prevention efforts.

Mission Objective 1.2 Secure U.S. borders through Expanded Customs and Border Protection Pre-Clearance Facilities.

Justification: The islands of the Dutch Caribbean are transit points for transnational criminal organizations, particularly drug trafficking and money laundering. Human and weapons smuggling and trafficking have also been issues affecting the safety and security of the islands, the region, and the United States. CBP operates a pre-clearance facility in Aruba which screens passengers and cargo prior to arrival in the U.S. and assists Aruba to identify questionable travelers. With the increase in passenger traffic through Aruba,

planned increase in flights to/from the U.S., and heightened scrutiny of passengers transiting from Venezuela to the U.S., CPB Aruba's existing resources are taxed. CBP Aruba started implementing facial recognition technology for all flights. CBP also is negotiating with the government of Sint Maarten to establish a pre-clearance facility, which will also provide greater scrutiny and security prior to arrival in the U.S. and facilitate better security for Sint Maarten. Having Aruba, Curacao, and Sint Maarten join an APIS-style system will provide better advance information on persons entering their countries and improve air safety.

Mission Objective 1.3 Develop new mechanisms to strengthen crisis management coordination and cooperation to prepare for and respond to refugee/migrant flows, hurricanes, and other natural disasters.

Justification: The Dutch Caribbean has been and will continue to be impacted by major hurricanes requiring extensive coordination to evacuate persons and provide emergency relief. The situation in Venezuela has also led to an increase in the number of migrants traveling to Aruba, Bonaire, and Curacao, and if the situation deteriorates further, there is a risk of greater migrant and refugee flows. Earthquakes also occasionally happen.

Mission Goal 2: Promote U.S. Business Interests, including in Energy, Tourism, and Finance.

Description and Linkages: The U.S. is the top trade partner for the countries of the Dutch Caribbean, and American businesses are active in the energy, tourism, and financial sectors, generating several billion dollars in exports and cross-border trade. [Linkages: JSP, JRS]

Mission Objective 2.1 Secure opportunities for U.S. business to partner with the Dutch Caribbean on energy infrastructure related to the oil refineries and ongoing renewable energy projects leading to the achievement of sustainable energy security and promotion of best practices throughout the Caribbean.

Justification: In December 2013, President Obama designated Curaçao as a beneficiary country for the Caribbean Basin Economic Recovery Act (CBERA). Aruba was designated as a beneficiary country of CBERA benefits in 1986 upon becoming independent of the Netherlands Antilles, and requested Caribbean Basin Trade Partnership Act (CBTPA) benefits in 2012. CBERA and CBTPA are trade preference programs which include specific trade and tariff benefits. Both islands are working to identify and develop additional industries to benefit from U.S. trade preferences. U.S. persons also have the ability to invest and work in the Dutch Caribbean on the same terms as Dutch investors pursuant to the Dutch-American Friendship Treaty (DAFT). Curacao is looking for a new operator for the Isla Refinery when the lease with

Venezuelan oil company PDVSA expires at the end of 2019. They are also seeking an operator who could support the refinery between now and when the lease expires. The U.S. exports oil to Curacao to blend with heavy Venezuelan crude oil in the Isla Refinery, and U.S. company CITGO has entered into an agreement to restart the oil refinery in Aruba, but has suspended such efforts due to financial constraints. U.S. sanctions on Venezuela have had an impact on both refineries. The storage tanks in Aruba, Curacao, and Bonaire are strategically located for transshipment between the U.S., South America, Europe, and the Panama Canal. All countries and islands of the Dutch Caribbean have high electricity, water, and fuel prices and face the same challenges as many small island developing states. They are aggressively pursuing renewable energy infrastructure and waste/water management, many with assistance from U.S. companies. In addition to being environmentally sound, green energy initiatives on the islands are important business opportunities for U.S. companies and promote Caribbean Energy Security Initiative goals. There is great potential to increase U.S. partnerships in these areas as well as in innovative energy projects such as Curacao's deepwater refrigeration efforts.

Mission Objective 2.2 Partner with host governments to identify opportunities to increase U.S. tourism and support U.S. airline, hotel, cruise ship, and tourism markets, leading to a significant increase in U.S. hotels, flights to/from the U.S., and opportunities for U.S. tourism businesses.

Justification: All islands of the Dutch Caribbean rely heavily on tourism for income, foreign exchange, and local employment. There are over three million American visitors to the Dutch Caribbean every year, making it a popular cruise and vacation destination. Numerous U.S. airlines, hotel chains, restaurants, and cruise lines are active in the region.

Mission Objective 2.3 Identify opportunities for and assist U.S. financial institutions in promoting a fair and level playing field, leading to the repeal of discriminatory legislation and the adoption of non-discriminatory legislation.

Justification: U.S. financial institutions have been active in the Dutch Caribbean, particularly in Curacao. Some of the countries have or are considering legislation that restricts some American companies from doing business on an equal footing with similar local or Dutch companies.

Mission Goal 3 Protect U.S. Citizens and Increase People-to-People Connections

Description and Linkages: Three million U.S. citizens visit the Dutch Caribbean each year. Thousands are taking advantage of the Dutch-American Friendship Treaty which gives U.S. citizens the same rights as Dutch nationals to live and work in the Dutch Caribbean. The resident American population at seven medical schools spread across the islands, largely staffed by American professors and attended by U.S. students, continues to expand. U.S. tourism and investment are significant components of GDP in the Dutch Caribbean, especially on the islands of Aruba and Sint Maarten. Given the importance of U.S. tourism to the region, host-government efforts to protect U.S. citizens should be commensurate with the volume of U.S. citizen visitors and investment. Promoting study in the United States and facilitating professional and student exchanges, and outreach, including through social media, helps foster favorable views of the United States and increases bilateral and regional understanding and opportunities for cooperation and collaboration. (NSS, JSP, JRS)

Mission Objective 3.1 Engage Dutch Caribbean Host Governments to Implement and/or Enhance Tourism Security and Strengthen Assistance Programs for U.S. Citizens.

Justification: With no consular personnel on five of the six islands in our district, U.S. citizens experiencing emergencies must rely on host country officials and service-providers. In many cases, the islands lack the capacity to handle these cases. Distressed tourists, including many complex medical cases, are particular challenges. Between forty-five and fifty-five U.S. citizen tourists die in the Dutch Caribbean each year. Many of these deaths involve tragic accidents and drownings requiring searches at sea, extensive coordination with police and coast guard authorities, and significant support to the families. Experience has shown that the island of Aruba lacks critical police and investigative staffing, limiting time spent on special victims cases involving U.S. citizen tourists. Several of these cases each year receive media attention. High-profile cases involving missing or murdered tourists require close attention, coordination with U.S. and local investigators, and follow-up action. Funding constraints precluded the establishment of consular agencies in Aruba and Sint Maarten despite previous Office of the Inspector General recommendations. A major share of travel resources go toward regular ACS visits to Aruba and Sint Maarten.

Mission Objective 3.2 Increase Student and Professional Exchanges between the United States and Dutch Caribbean

Justification: Increasing student exchanges is mutually beneficial to the U.S. and Dutch Caribbean host governments. Government and business leaders from the Dutch Caribbean who have chosen to study in the United States rather than in the Netherlands have proven to be our strongest partners in key foreign policy initiatives such as energy, law enforcement, and military cooperation. Host governments increasingly look to the United States for educational, finance, and business opportunities. Data collected by Dutch Caribbean student finance organizations show that students who choose to study in the U.S. have higher levels of success, lower drop-out rates, finish earlier, and return to the islands to start their careers in higher numbers than students who study in the Netherlands. Cost is the decisive factor influencing where students apply. Several U.S. colleges and universities offer in-state tuition to students from the Dutch Caribbean. There are increasing opportunities for student athletes, particularly relevant to Curacao which is traditional source of athletic talent and boasts the most players in Major League Baseball on a per-capita basis in the world. Potential barriers to increasing student and professional exchanges include disparities found between the visa/permit fee schedules of the United States, Aruba, and Curacao, which will (without action by those governments to reduce fees) result in the imposition of visa-issuance fees by the United States.

Mission Goal 4: Enhance Positive Attitudes towards the U.S. and Support for U.S. Policies.

Description and Linkages: The United States has a significant national interest in ensuring the people of the Dutch Caribbean understand the policies, institutions, people and Government of the United States of America. The Mission's Public Diplomacy goals are integrated with those of the mission as a whole. Close coordination of all public diplomacy and strategic communication efforts among all U.S. government agencies within the Mission is essential to ensure the cohesion of our message and the best use of resources. Media coverage that fairly and accurately represents U.S. positions is a measure of our success, including coverage of high-level U.S. visitors, speeches, and policy announcements. Greater public understanding of the U.S. government's commitments as a reliable and constructive partner in the hemisphere will provide a favorable climate for introducing new policy initiatives and underscoring existing ones. We must therefore develop outreach strategies to inform, inspire, and persuade... (NSS, JSP, JRS)

Mission Objective 4.1 Provide greater opportunities to promote and discuss U.S. policy through social media platforms and increased outreach:

Justification: Engagement with key audiences through social media and through coordinated outreach with all agencies and sections will contribute to an opinion environment favorable to U.S. foreign policy as well as strengthening civil society.

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Effective partners are essential in the conduct of public diplomacy, including schools and universities, media outlets, private sector entrepreneurs, exchange program alumni, and NGOs.

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4. Management Objectives

Management Objective 1 Construct a New Consulate Compound (NCC)

Justification: Post does not meet DS setback and forced entry requirements. Staffing has outgrown present facilities.

Management Objective 2 Recruit and retain proper staffing for the Consulate, including staffing from other agencies.

Justification: Post requires properly trained staff to run an NCC and support growing programmatic and interagency objectives.

Management Objective 3 Ensure Post preparedness for a major natural disaster

Justification: Curacao has experienced hurricanes previously and is overdue for a major storm but island infrastructure is woefully unprepared.