

# Elías Sánchez leaves his position in the Oversight Board

The voice of the Rosselló Nevares administration leaves his seat as representative of the government

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"These six months have been like 10 years", Sánchez Sifonte said. ([Jorge Ramirez Portela](#))

Elías Sánchez Sifonte, the man who was governor Ricardo Rosselló Nevares' right hand for four years in the electoral contest and who during the past six months helped the president diagnose the magnitude of the fiscal crisis and set up a new government, has left the position as representative of Puerto Rico before the Oversight Board.

The resignation was effective yesterday.

"These six months have been like 10 years", Sánchez Sifonte said in revealing his reasons for leaving the assignment, which, although unpaid, represents the most influential position between the commonwealth government and the US Congress. This, given the structure of the government that emerged with the federal law PROMESA, with powers above the Constitution of Puerto Rico.

By press time, **El Nuevo Día** could not confirm who the president will designate as Sánchez Sifonte's successor.

According to Sánchez Sifonte, about two weeks ago, he talked with Rosselló Nevares about his desire to leave office. In his opinion, it's time for a "to pass on the baton".

"This is a no pay and time-consuming assignment. Although very rewarding, it has some demands. The worst in terms of the preparation of the plan has passed and now the implementation of the plan rests on the hands of the officials" said Sánchez Sifonte, who did not exclude the possibility of providing services to the Government in the future.

For the lawyer, his assignments in the political campaign and then, as the main voice in charge of the message of transformation of a new administration culminated with the certification of the Fiscal Plan for Puerto Rico (PRFP) and the approval of the budget.

"When you look at the fiscal plan, it sets numerical objectives for certain years and they have to be achieved by 2019-20, but when you go to the specific measures, those measures came out of the Plan for Puerto Rico", noted Sánchez Sifonte.

According to the lawyer, what he has done in the political ground and now, from a position that grants him a voice but does not vote in the Board, is the result of a genuine interest in helping Puerto Rico rather than joining the statistic of professionals who leave the Island.

"Being prepared with an offer, allowed us, in 58 days, to certify a plan, something that the former administration did not achieve in months", stated Sánchez Sifonte, referring to the cluster of strategies that Rosselló Nevares articulated in the primary process.

For the lawyer, the certification of the fiscal plan - which emulates the Rosselló Nevares plan - is a turning point between a lagging Puerto Rico and a Puerto Rico on the way to recovery. This, although this new route involves two years of annual economic contraction that would not be comparable with the historical series that measures the production of the Island in terms of gross product.

Sánchez Sifonte acknowledged that getting into a working relationship with the Board was not easy.

"Differences are natural", said Sánchez Sifonte when assuring that there is a relationship of "mutual respect" between the parties.

In the past six months, Sánchez Sifonte has been involved in several controversies with the Board, the most recent one was the warning to the agency that it has no authority in law to demand a reduction of the working day.

Before leaving your position, will you recommend to the governor to sue the Board if they request the reduction of the working day?

-The difference is stipulated. I reaffirm myself in my approach ... PROMESA gives a power to the Board that is almost absolute when it comes to the certification of a fiscal plan and a budget. The Board has no legislative power.

According to Sánchez Sifonte, as the implementation of the plan progresses, it will be proved that there is no need for greater austerity.

"There were, what I call, some growing pains working with the Board. The fact that there was no director in power was a little problematic because the interaction was with advisors and the messages did not arrive".

It was said of the previous administration that its advisors ruled. Are the Board and Government advisors now governing?

-No. That is a big difference ...Advisors follow a public policy and their function is to validate and it is good because they bring a lot of value to the table, but what is followed is the governor's public policy.

Sánchez Sifonte highlighted as a success the arrival of the executive director of the Board, Natalie Jaresko.

The lawyer described the former Finance Minister of Ukraine as "a strong and determined woman", but at the same time "fair", who listens to the views of different advisors and puts things in a balance.

"I think she is a brilliant woman, she is well trained to understand the situation", he said.

And is that worth \$ 625,000 a year?

-That is a decision which is up to the Board based on how the performance is judged ... I can tell you about her qualities, and she has leadership, but the people are going to pass judgment.

Asked by **El Nuevo Día** about the legal moves of the Board regarding issues such as the controversy between Bondholders of General Obligation and those of the Puerto Rico Sales Tax Financing Corporation (Cofina), Sánchez Sifonte acknowledged that there may be agreements or disagreements with the government. But, in the long run, the Board determines the strategy to follow.

And what if the legal strategy fails and the government has to pay more to the bondholders than what is stated in the plan?

-The administration clearly understands that any adjustment plan has to be consistent with the tax plan. We do not expect a determination like that and we would be arguing before Court what the Law says.

Why leave now when things are complicating?

"The governor has a very good and competent team that has matured and understood and is running with the yoke", he added.

Although Sánchez Sifonte says he has fulfilled his assignment, the lawyer leaves the Board in the middle of various questions.

Last week, when the executives of the Board updated their financial reports, it was pointed out that the lawyer served with his responsibility since last February. However, the founder of Veritas Consulting and who keeps a professional relationship with the law firm Wolf Popper, delivered a report that does not have a single figure of how much he earns or who are his customers or those of his wife.

The situation was pointed out by Espacios Abiertos (Open Spaces) through its executive director, Cecille Blondet.

"In my view, the approach is political", noted Sánchez Sifonte, pointing out that Blondet was previously the executive director of the Public Broadcasting Corporation during the previous administration.

According to the lawyer, the purpose of the reports required under PROMESA is to detect the existence of conflicts of interest and not "personal aspects".

The director of the Board and also former judge Arthur González detailed in his report all the clients that he served in 2016.

"No one in these positions is immune to these attacks", continued Sánchez Sifonte.

When asked by **El Nuevo Día** about being involved in the federal investigation on the municipality of Toa Baja for having worked there, Sánchez Sifonte answered negatively.

Similarly, Sánchez Sifonte denied having received any payment from groups of bondholders, as has been said. "By the way, I do not think they are very happy today", said Sánchez Sifonte.

He explained that Wolf Popper does provide services to bondholders, but the assignments he receives from the legal study are not related.

"I, in my personal nature, did not render services particularly for any group of these", explained Sánchez Sifonte.

People like you are always pointed out. Will the name of Elías Sánchez be involved in any influence peddling scandal or of other kind?

"Uniquely no. Why? Because if it were so, then I would not even be leaving the Board. I can tell you that it is not what motivates or what moves me ... I am a lawyer, I apply the ethics of the profession, I want to continue my practice, I want to develop who I am in professional terms.

I have been able to prove to the people of Puerto Rico my ability and I hope to be able to turn on that in the future to grow.