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Our World

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ARUBA Two steps ahead

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More than 70% of Aruba's GDP is linked to tourism and plans to diversify the economy will open new niches

Behind a beautiful place to live and do business lie effective governance, economic resilience, a green vision and a progressive social commitment

Aruba is experiencing some of the best moments in its history. It rapidly rebounded from the recent global recession and its leadership is implementing strategies to tangibly improve the lives of its citizens, protect the environment with a 'green' vision, and develop Aruba into a high-level business hub for Latin America.

Located 15 miles off the Venezuelan coast, Aruba was discovered and claimed by Spain in 1499. It fell under Dutch rule in 1636 and seceded from the Netherlands Antilles in 1986 to become a separate, autonomous member of the Kingdom of the Netherlands.

Aruba's economy has been dominated by three main industries. A 19th century gold rush was followed by the opening of an oil refinery in 1924, with the closing decades of the 20th century producing a boom in the southern Caribbean nation's tourism industry.

Today, the country's two main economic pillars are tourism and oil; the 2008-2009 global economic crisis hit the island hard. Tourist numbers plummeted and the Valero Aruba Refinery in San Nicolas closed. Annual GDP expansion in 2007 of 2% fell to 0.2% in 2008, followed by -11% in 2009

and -3.2% in 2010. In 2011, however, real GDP growth leapt back into the black and soared to 8.9%, according to the Economist Intelligence Unit.

"When we came into office in 2009, we took immediate action," says Aruba's Prime Minister Mike Eman. "First, we reached out to strategic partners that had left the island - KLM, Carnival Cruise Lines and Valero - and convinced them to return based on our government's professional and pro-business approach. Second, we knew long term that building more hotel rooms was not the answer. Although that strategy had worked well in the past for Aruba, we realized that the diminishing returns from hotel construction had to be replaced by a policy of smart growth that would create an Aruba that is a beautiful place for Arubans to live and a beautiful place for Aruba's friends and tourists to visit. We decided to focus on quality rather than quantity; we decided to invest in Aruba's people and infrastructure. We are now headed in a very positive direction."

The government launched two major programs, called Bo Aruba (Your Neighborhood) and Bo Bario (Your Neighborhood), to rejuvenate and improve the country's capital Oranjestad and its second-largest city San Nicolas - whose development is undeniably linked to the oil refinery - as well as 21 other neighborhoods on the island. "I firmly believe in the importance and value of human, social capital," says the Prime Minister. "As a government,

we can help create a physical infrastructure that encourages people to walk more in their neighborhoods and build open, public spaces so people can meet either for lunch or for a stroll after work. We are doing this with our urban renewal programs, including the construction of the

ba's unique strategic geopolitical position to become a business hub between the EU, Latin America and the United States. "The initial focus will be on technology for renewable energy and taking advantage of the island's favorable climatological conditions," says Mr. Eman.

The PM is determined that social gains should keep pace with economic gains. "Aruba has five-star hotels, but we want to see five-star schools, five-star neighborhoods, five-star infrastructure and five-star homes for the elderly," says Mr. Eman. "It is my ambition to see that we manage to turn our continued material prosperity into wellbeing and happiness for every Aruban."

Aruba is undergoing a process of deep structural reforms that are already positively changing not just the face but the heart and soul of the country. The small island is increasingly becoming an example of good governance, environmental consciousness, cultural diversity and peaceful coexistence, as well as economic diversification and international cooperation. Aruba is an example not just for the Caribbean, but also for countries around the world.

"These are challenging times. Not just for Aruba, but for the whole world. We are just finding our feet again and have started to upgrade Aruba to be able to receive our guests in the next 25 years," says Mr. Eman.

"We Arubans do love our country. I think part of that is because many of us remember our long struggle to gain our autonomy within the Dutch Kingdom, which we achieved in 1986 with our own parliament, flag, national anthem, central bank, and so on. When you fight for something, you tend to appreciate it perhaps even more.

"With our large city renewal, neighborhood improvement and Aruba making the transition to a sustainable way of living, Aruba is on the way back."

"ARUBA HAS FIVE-STAR HOTELS, BUT WE WANT TO SEE FIVE-STAR SCHOOLS, NEIGHBORHOODS, INFRASTRUCTURE AND HOMES FOR THE ELDERLY. IT IS MY AMBITION TO SEE THAT WE MANAGE TO TURN OUR CONTINUED MATERIAL PROSPERITY INTO WELLBEING AND HAPPINESS FOR EVERY ARUBAN."

MIKE EMAN, Prime Minister of Aruba



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The Green Gateway

The new government has adopted a holistic approach, termed 'Green Gateway', to transform Aruba into a knowledge-based entrepreneurial and environmentally sustainable economy



The Cabinet of Prime Minister Mike Eman intends to increase the number of public-private partnerships, particularly on infrastructure projects such as the four-lane 'Green Corridor' that will link Oranjestad and San Nicolas

The buzzwords today in Aruba are green, entrepreneurship, knowledge, sustainability, diversification and quality, all of which can be found throughout the country's economic vision called 'Green Gateway: a knowledge-driven, entrepreneurial economy'.

The result of an in-depth governmental study of Aruba's human and natural resources, limited growth space, geopolitical situation as a member of the Dutch Kingdom, and external conditions (including fluctuations in the price of oil) led to the drafting of this strategic plan that embraces knowledge, long-term investment, quality growth and ecological responsibility. The Green Gateway also envisions a more diversified base for greater economic resilience.

A three-year strategy (2011-2013), the idea of Green Gateway symbolizes an innovative and competitive economy of free trade and enterprise, fair commerce, and corporate social responsibility, all in the context of Aruba's uniquely distinct cultural, geopolitical and environmental assets.

The plan addresses national innovation, investment pro-

motion, business growth and the empowerment of consumers. It is being spearheaded by the Ministry of Economic Affairs, which is, in parallel, simplifying the procedure for the establishment of new companies. With faster start-up times, more entrepreneurs could take part in the opportunities arising as a result of Green Gateway, through the public-private partnership (PPP) framework. Indeed, the government intends to increase the number of PPPs as it considers that they can contribute to a healthy economic landscape, synergizing the best of the public and private sectors.

Michelle Hooyboer-Winklaar, Minister of Economic Affairs, Social Affairs and Culture, believes that the responsibility for improving the quality of life on the island is no longer solely in the hands of either the government or private business. "The idea that projects which make a difference in the living standards of residents should be carried by either the public or private sector is really gone. It is something that we recognize needs to be done by both sectors, and there are so many formats

to be able to tap into that, the first example being the Green Corridor," she says.

The Green Corridor, a four-lane road linking Oranjestad and San Nicolas, is just one example of an infrastructure project intended to not only improve quality of life but also facilitate more economic activity. Other projects include the restoration of water towers, the relocation of the

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MICHELLE HOYBOER-WINKLAAR,
Minister of Economic Affairs, Social Affairs and Culture

industrial harbor from Oranjestad to Barcadera, Ringweg 3 (a highway circumventing Oranjestad), general road repairs, and the renewal of the downtown area.

An essential component of Green Gateway, as its name suggests, is a focus on clean energies, and Aruba's abundant wind, water and sun make it the ideal location to conduct research and testing of new technologies in the field of sustainable energy.

Aruba's airport is also going green. Minister of Tourism, Transport and Labor Otmar Oduber says that a project to install additional solar panels will bring the amount of energy produced up to the same level as that of energy being used. "We would be the first 100% green airport in the Caribbean, producing 4.3 MW of energy," says the Minister. "We have shown and the Prime

Minister has shown that we are committed to ecotourism in Aruba, because we truly believe that tourism is more than just marketing and selling beautiful beaches. It is about diversification, ecotourism, green energy, culture, history and good infrastructure."

While alternative energy production and green technologies are excellent sources of economic diversification – one of the hallmarks of Green Gateway – tourism is and will

most likely remain Aruba's main money earner. Although Aruba does not necessarily intend to diversify away from this sector, it does plan to maximize possibilities.

Ms. Hooyboer-Winklaar explains: "It is really important that Aruba looks at the components of our economy and at where we can diversify further. When we talk about diversification, it often gives the impression that we are going to take away something from here and put it there – but that is not the case. We are looking at adding value to whatever we already have today; it is about improving the quality of tourists who come and looking at other economic activities that we can stimulate on this island."

Other smaller pillars that she proposes to add to tourism are the growth of small and medium businesses (SMEs) in all sectors, stimulating entrepreneurship, and maximizing opportunities Aruba has in geographic and political terms.

It is in the tourism sector where Aruba's formula of quality over quantity is most evident. "If you choose quantity, you continue to build and you grow your tourism sector. But at a certain point it is going to

be impossible to build," says Ms. Hooyboer-Winklaar. "We must understand that a small island has limited resources. We need to maximize on what exists today and a way of doing that is increasing the quality of tourists who come. In the long run, you are attracting tourists who will spend and will be aware and conscious of the impact of this island when they come here."

The United States is the biggest source of tourists, yet a growing diversification of markets has helped the island nation avoid the worst of the financial crisis. Latin America, for example, increasingly sees Aruba as a tourist destination.

In delivering a more elevated experience for Arubans and visitors, alike, the country is creating what it is calling Bo Aruba, or 'Your Aruba' Greater diversification and economic stability, improved wellbeing, and cleaner land, air and water will combine to serve as an excellent calling card for Aruba in the region and beyond. Indeed, Green Gateway sees Aruba as a robust link between Latin America, the U.S. and the European Union for commerce, investments, and of course cultural exchanges.

The third economic pillar

Strong U.S. links, longstanding Dutch connections and a geostrategic location combine to position Aruba as a robust gateway between the U.S., the EU and Latin America for commerce, political dialogue and investment

The government of Aruba has laid out plans to capitalize on its strong international relations and the island's prime geostrategic location that can capture 'economic crosswinds' in its bid to reduce the economy's reliance on its tourism and oil sectors.

The Aruban government is an advocate for closer economic and social collaborations between Aruba and other Caribbean countries with the United States, the EU and Latin America (LATAM). The plan is to harness Aruba's geographic location, highly educated labor base, and political skill sets to build bridges linking these large trade blocks. The creation of a 'third pillar' of the economy will help increase diversification, economic stability, growth and sustainability.

"Aruba has Dutch heritage and is part of the Kingdom of the Netherlands, so, of course, we have many excellent ties to Dutch companies and educational institutions, but we also have been receiving a great deal of interest from prominent American entities that see what we are doing in Aruba and are eager to be part of new and innovative projects," says Prime Minister Mike Eman. "They gain from exposure to the Caribbean region and projects that can hold lessons for other countries, and Aruba gains from the knowledge and expertise of world-class companies and universities."



Aruba captures 'economic crosswinds' from three major trading blocks

One example of increasing U.S. involvement in Aruba is evidenced by Baptist Healthcare System, a prominent American company assisting Aruba in improving its healthcare delivery, and it joins many other American companies doing business on the island.

"Many well-known U.S. companies and investors are present in Aruba from Hyatt to Marriott to Carl Icahn. While the government has a moratorium on the building of new hotels, there may be opportunities for investment in the renovation of existing hotels," says Mr. Eman.

The country's drive to regenerate its urban space has also piqued American interest.

The Prime Minister says: "Early in my administration, we began two extensive programs of urban renewal to improve our neighborhoods, which we call Bo Barrio, or 'Your Neighborhood', and Bo Aruba, or 'Your Aruba'. Our vision was to revitalize our downtown areas, to renovate existing buildings and landmarks, to add more parks and meeting spaces and, in general, to put in place the physical structures that would encourage families, friends and neighbors to reconnect with one another."

Mr. Eman adds, "The University of Pennsylvania became very interested in our program of urban renewal and sent several of its professors and graduate students to Aruba to talk to the community and to develop plans to implement our vision. The University of Pennsylvania even held a competition among its graduate students for the best solutions and plans for the project. Both sides gained a great deal from such a partnership."

Furthermore, Aruba is proud to have developed a strong relationship with Harvard University, working with several of its professors who are prominent in diverse fields, such as earth sciences, business and public policy, but who all share a strong interest in finding a solution to climate change.

Mr. Eman says, "They bring a multi-faceted approach to this critical problem, and [last] year we hosted the First Annual Aruba-Harvard Workshop on Sustainable Development. The leader of the group is Professor Daniel P. Schrag, a renowned expert on climate change and the Director of the Harvard University Center for the Environment. I have also had the privilege of being invited to speak at the prestigious John F. Kennedy School of Government and to share Aruba's vision for long-term sustainable growth. It was an exciting event, and I very much enjoyed talking with the students after my lecture."

A comprehensive 'toolbox' for diversification

The Aruban government is using a wide variety of tools to reshape the nation and vie for international investment dollars

A combination of initiatives are being put in place by the administration of Prime Minister Mike Eman to sharpen Aruba's competitive edge in the global investment market. "In the context of striving to successfully meet the challenges of the global economy on new terms, we have set the course to fundamentally transform leadership in Aruba with social-economic progress based on smart growth, capable of addressing the enormous challenge of delivering a lasting prosperity," says Mr. Eman.

Key actions by the government include reforms in the nation's tax, energy, pension and health structures, physically revamping Aruba's main cities of Oranjestad and San Nicolas, strengthening the country's international standing, and diversifying its economy through clean energy projects.

The total restructuring of the tax system in Aruba under way will result in increased revenues and reduce the annual budget

deficit, which has already shown a dramatic reduction in recent years. In 2010, the current-account deficit reached 17.7% of GDP, but was reduced to 8.8% in 2011 and is estimated to have dropped further to 0.6% in 2012, according to the Economist Intelligence Unit.

Pension and healthcare reforms have addressed ever-increasing costs and are expected to stabilize the future bills the government will receive. Becoming the 'Green Gateway' between Latin America, the United States and Europe and developing Aruba's renewable energy sources will also bolster the nation's coffers.

"I am pleased to say that our policies and progress have not gone unnoticed by the credit rating agencies of Fitch and Standard & Poor's. Both rating agencies recently affirmed Aruba's sovereign credit ratings. Standard & Poor's even positively adjusted its future outlook for Aruba," says Mr. Eman. "Both agencies have thus indicated their confidence in the current government's policies, at a time when they are downgrading the credit outlooks for many governments around the world."

An island of opportunities

This small tropical country is experiencing strong economic stability and attracting foreign investors

With most countries still struggling to climb out of the world financial crisis, the island nation of Aruba, located in the Caribbean and belonging to the Kingdom of the Netherlands, is making its recovery, with its GDP growing by the almost double-digit figure of 8.9% in

2011 and a projected growth of 3.1% in 2013-2014. Because of this recent growth as well as openness to international markets and a safe, transparent business environment, Aruba is considered one of the most financially stable countries in the region.

"The resilience that Aruba has shown economically far exceeds other islands, let alone other neighbors in the region," explains Mariëlsa Arends-Croes, Executive Manager of the Aruba Investment Bank, a key financial player in the development of the island. "That resilience gives you confidence. Economically we have a very stable outlook."

Aside from the obvious advantage of this financial stability for investors, Aruba is also a convergence point for North America, Latin America and Europe. It has cultural and political ties with Europe because of its Dutch heritage, which include its political structure, education system, financial transparency and a European judicial system. Aruba also engages in the majority of its economic affairs, such as trade and tourism, with the United States but is geographically close to Latin America. This cultural and geographic advantage along with a multilingual workforce make Aruba an appealing meeting point between these three regions. Furthermore, Aruba's currency is pegged to the American dollar allowing for additional financial stability.

"If you look at the Aruban florin peg with the U.S. dollar I

think you can only conclude it has been very positive for the island," states Jeanette Semeleer, President of the Central Bank of Aruba, noting that this constant exchange rate with the dollar evokes confidence in investors. "Once you have certainty of that exchange rate it provides certainty for contracts. Certainty in your costs really helps people make investment decisions which is important to Aruba."

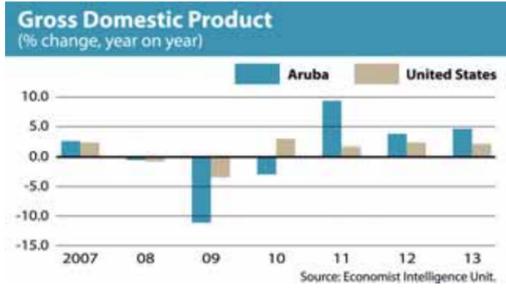
Real estate is one of the prime investments in the island including top foreign hotel chains from the United States and Europe. The country is also promoting tax breaks for manufacturing and public-private partnerships (PPPs) to work hand-in-hand with the government on upcoming projects.

"There are many opportunities that we are currently doing as PPPs, which have received a lot of stimulation and support from the current government," says Frensel Giel, Managing Director of Aruba Investment Bank. "We welcome foreign direct investment (FDI), because it is very important for our economy and its future growth."

Currently the United States is the number one investor and a prime trading partner of Aruba.



The Central Bank of Aruba supervises the solidity and integrity of the financial system



Banking sector strives toward sustainability

With economic stability and international investors, the island's banks are able to invest the money back into the country

The modern infrastructure and development on the tropical Caribbean island of Aruba could not have been put in place without the constant support and financing from the local banking sector.

The Aruban banks work closely with the government, the local population and international investors which led to huge growth in the late 1980s; sustained, steady growth in the 1990s and now again, coming off of the worldwide economic recession, contributed to a growth in GDP of 8.9% in 2011. In fact, its relatively quick recovery from this crisis, with projections for additional growth over the next two years, is a testament to the healthy state of the banking sector in Aruba.

"The crisis proved that Aruba – even its commercial banks – was actually doing the right thing which was quite impressive," says Mariëlsa Arends-Croes, Executive Manager of the Aruba Investment Bank (AIB).

which provides corporate lending, program and project management, and economic and financial advisory services. "We have a very stable banking sector, even though it is small."

AIB was founded 25 years ago with help from the Aruban government to provide capital for long-term investments and projects.

The government has also used AIB's financial expertise for the last 25 years to advise them on potential investments.

Moreover, AIB has signed a protocol with the government to stimulate small and medium-sized enter-

prises (SMEs) in order to help new and existing ventures grow into successful businesses and further foment manufacturing and exports within the country.

"Aruba's economy is sustained by SMEs," explains Frensel Giel, Managing Director of AIB. "Some entrepreneurs have great ideas, but not the funds to support the project so a guaranteed fund will be established by the private sector and financial institutions to assist those entrepreneurs to realize their plans."

AIB also works on large-scale projects such as a new water utility plant for which it raised \$150 million in capital. The bank also provides financing for large international investors, many of them coming from the U.S., who have strong ties to Aruba through trade and tourism.

Although tourism is Aruba's major industry, dominating between 50-70% of the economy, both the government and banking institutions want to branch out to more sustainable development, using alternative types of investments like public-private partnerships (PPPs). Through a PPP, a Dutch company has taken on a 10-year investment to supply energy via wind turbines.

Mr. Giel notes: "I would like to align ourselves more with large institutions throughout North America, South America and Europe, and be their scouts for large projects."

Mr. Giel adds that to achieve sustainability, AIB hopes to attract international investors, especially from the U.S., who

would commit long term and not expect a quick return, especially when they see the financial stability of the country.

"Aruba is a safe partner for the U.S., and a safe destination for its people," says Marcelline Richardson, Managing Director of Aruba Bank, the first commercial bank ever established on the island. "The most important thing for me is sustainable development. We need to create lasting initiatives to sustain this growth, using what Aruba is good at, which is the security of the island, our multilingualism, our closeness to Holland, as well as our location itself."

Aruba Bank, with assets totaling over AWG 1.3 billion (\$2.3 billion), can boast being the largest commercial bank on the island. Founded in 1925 in Aruba's capital city, Oranjestad, Aruba Bank is a customer-oriented institution that offers retail, commercial, corporate and international banking as well as insurance services.

"Aruba Bank understands because we invest the time to understand. We know that we need to be socially responsible, service and retain our clients, and diversify in order to stay profitable," Ms. Richardson notes.



"A GUARANTEED FUND WILL BE ESTABLISHED BY THE PRIVATE SECTOR AND FINANCIAL INSTITUTIONS TO ASSIST ENTREPRENEURS TO REALIZE THEIR PLANS."

FRENSEL GIEL, Managing Director of Aruba Investment Bank

She adds that the bank in part uses its profits towards corporate social responsibility (CSR), tackling issues like dengue fever prevention. "If we make money, we should put it back into the economy somehow," she says. "We are committed and we believe in it."

Aruba Bank is also developing programs to get the nation's youth involved in the professional world. "We have professional people here who can mentor the youth," says Ms. Richardson. "We bring kids in here every year, just to get a taste of working life. They do not have to be aspiring bankers: we want them to see profes-

sional life, see the office, and for them to get inspired, motivated, and ask questions."

In 2012, Aruba Bank sponsored an official trade mission to Brazil, called Mission2Brazil and designed to provide Young Entrepreneurs with the opportunity to realize a business vision.

"I believe the best part of Aruba Bank is the people," says Ms. Richardson. "If you dream it, it can happen, and we are not short of dreams here. We encourage and reward the dreamers. We will be around for a long time, and like to be a force to be reckoned with on the island."



MARCELLINE RICHARDSON, Managing Director of Aruba Bank

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The Aruba attraction

This economically stable Caribbean island has shown significant growth in the visitors and business it attracts

Known primarily in the United States as a luxurious Caribbean vacation destination, the small island of Aruba, just 15 miles off the coast of Venezuela, is also one of the most stable economies in its region with continual growth within industry and a strategic international position, making it a secure and rewarding place for investments.

Aruba forms part of the Kingdom of the Netherlands and all of its natives enjoy Dutch citizenship and are governed by a parliamentary system. Because of these ties to Europe, the island has organized its country according to European standards such as the Dutch judicial system and education. The highly skilled workforce is multilingual speaking the official language of Dutch, the native language of Papiamentu and dominating English because of a thriving tourism industry.

European rule has allowed for Aruba to have political stability and easy access from

the European market. Additionally, the proximity to the U.S. and South America give it a strategic location to become an international business hub.

The government takes advantage of Aruba's ideal geopolitical situation by focusing on international developments, generating legislation for an investment-friendly environment in its most dynamic industries: tourism, oil refining, international trade and finance.

For the past 20 years, Aruba has experienced significant economic growth. The economy rose rapidly in the late 1980s seeing unprecedented double-digit numbers and slowing down to a steady, moderate pace in the 90s.

"We had a decline in GDP in 2009-10, which was mostly related to the world recession," explains the President of the Central Bank of Aruba, Jeanette Semeleer, adding that the island nation again experienced satisfactory growth in 2011, as well.

"Tourism was very strong



Mike de Meza, Minister of Finance, Communication, Utilities and Energy, strongly supports the government's green tech initiatives

[in 2011] and if you look at all indicators in terms of arrivals and declaratory receipts we see very good, positive data."

To handle such an influx of tourism, Aruba continuously maintains its physical infrastructure, expanding airport facilities and regularly upgrading water, electricity plants and the telecommunication facilities.

"The bottom line is: every technological update that takes place in other parts of the world, takes place in Aruba as well," says Roland Croes, Director of the Aruban telecommunications company SETAR. "By following the American and European models, visitors can instantly feel at home when they come to Aruba."

Tourism is made especially convenient because the Aruban currency is pegged to the U.S. dollar allowing for stability within its economy and for most American transactions to be done in U.S. dollars.

This constant economic stability makes the country not only a safe location to visit, with one of the lowest crime rates in the region, but also a safe place to invest.

SETAR keeps Aruba online, all the time

This telecommunication company is modernizing the industry for the Caribbean Island

With an ever-growing number of tourists visiting the tropical Caribbean island of Aruba every year, the government along with local companies continually work to ensure up-to-date and quality infrastructure throughout the country. For business travelers in the modern world, contemporary telecommunications are increasingly indispensable to do their jobs and consequentially the

SETAR, founded in 1986 as a public company, was privatized in 2003, but still is completely government owned. Mr. Croes points out that although the government is still its major shareholder, the company is afforded the freedom to act like any other private company.

SETAR provides a highly modern telecommunication infrastructure throughout Aruba offering satellite con-

Furthermore, SETAR continually tries to maintain an edge over its main competitors, Aruba Wireless and Rainbownet, by regularly upgrading the services it offers to customers, investing in bandwidth and wireless networks. The Aruban company is also involved in a multibillion-dollar submarine cable project with companies such as AT&T and Verizon to build the future infrastructure needed for maximum service convergence.

"A lot of investment has gone into the network linkages. The country offers the kind of 24/7 connectivity that allows people to stay in touch, whether for business or personal purposes," explains Mr. Croes, noting that Aruba is always one of the first countries in the region to incorporate new technology.

"We take on a more proactive approach and deliver new services to the customers. We look at what is happening in Europe and the U.S. and we try to structure it to apply to the realities in Aruba."

"WE LOOK AT WHAT IS HAPPENING IN EUROPE AND THE U.S. AND WE TRY TO STRUCTURE IT TO APPLY TO THE REALITIES IN ARUBA."

ROLAND CROES, Director of SETAR

Aruban company Servicio di Telecomunicacion di Aruba (SETAR) makes sure that these services are in place.

"Business travelers can take their work with them here," says Roland Croes, Director of SETAR. "The goal is to make it possible for them to do almost everything that they have to in a convenient and secure manner."

nection services and 3G WiFi Internet. This helps make local businesses productive and competitive through stable connectivity.

But aside from connecting businesses and individual customers, SETAR allows schools a reduced price for Internet access. Their services are also available in all the libraries and on 85% of the beaches.

More than just a Jolley holiday in Aruba

From souvenir shops and car rental agencies to car dealerships and bookstores, Jolley Holding is one of the top service providers in all its areas of business

Companies with a diverse business base often weather financial recessions better than those that rely wholly on one activity. Such is the case of Jolley Holding, which started in Aruba in 1968 as a car dealership, industrial laundry providers, and owner of various souvenir shops and bookstores.

Sudesh Manichand, Managing Director of Jolley Holding since 1999, has been responsible for the group's considerable expansion: from just six companies, he grew the holding's portfolio to 25 companies throughout the Caribbean. In turn, he's increased Jolley Holding's revenue sevenfold.

Although car and book sales have slipped due to flailing local consumption, Jolley's tourism-based companies are performing well, as Aruba is still in favor as a vacation destination.

While book sales may never recover, owing to the advent of the electronic reader and online stores, once the economic recession is past, Mr. Manichand is positive car sales will once again pick up, and Jolley Holding will be there to capture customers.

"The potential for automotive sales is limited on an island like this, because if the population doesn't increase, there are limited opportunities for the overall market to grow.

"Therefore, if you want to increase your presence and market share, most of the time you get it from the competition, so aggressive marketing and exclusive



"DURING THE TWO MOST RECENT CRISES THAT ARUBA HAS EXPERIENCED, WE'VE NOT LAID OFF ANYONE."

SUDESH MANICHAND, Managing Director of Jolley Holding

good opportunity here for electrical vehicles in the future because of the short distances that are covered, so there is not really a need for charging points all over the island. You'd be able to charge your car at home overnight," he comments. However, as these cars remain expensive and their demand still outstrips supply elsewhere, Jolley's MD doesn't expect them to hit the island for at least another three years.

For marketing, Jolley Holding has gone socially cyber. "We are very active on Facebook," says Gina Heyliger, Marketing Manager. "We've incorporated social media into our marketing strategies and we reveal new products as we go along, as well as new gadgets and linking into communities as we expand into different media. We're always looking at global trends and follow what catches on in the local markets."

On a similarly modern line, Jolley Holding values its employees and provides opportunities for advancement within the organization. Moreover, Mr. Manichand says that the group has held on to its workers, despite the recession. "During the two most recent crises that Aruba has experienced, we've not laid off anyone. We haven't downsized any of the companies, even though that would have made sense."

The group is also supportive of local activities, especially sports, where Jolley can help motivate children through sponsorships and support.

products are key," says Mr. Manichand.

Jolley Holding indeed holds exclusive dealership rights to some of the world's top brands, namely BMW, Chevrolet, Nissan, Kia and Suzuki. This business segment is complemented by Jolley's Hertz franchise, the largest car rental in Aruba. According to the managing director, Kia is market leader with an impressive 25% market share.

Aruba's size makes the island ideal for electrical cars, which Mr. Manichand foresees will be a logical step forward in the island's going-green strategy. "There's

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Teamwork tackles infrastructure

Public-private partnerships will help make massive plans for new and upgraded infrastructure a reality

Well-developed infrastructure is a key factor for any country trying to achieve a sustained economic growth.

The Aruban government's long-term plan is to make urban areas more attractive for visitors and make the island more accessible and better equipped for local people.

Government plans to rejuvenate Aruba's capital Oranjestad and second main city San Nicolas fall under its Bo Aruba (Your Aruba) initiative, which is pouring

1.2 billion Aruban florins (\$667 million) into urban renewal and neighborhood upgrades.

The program entails various infrastructure projects, including the construction of new roads such as a new ring road around Oranjestad and a four-lane road between the capital and San Nicolas.

Structural enhancements in and around the capital city's historic center are planned, as well as the re-

construction and restoration of existing buildings, new parks and public areas, relocating the container harbor to the outskirts to build a world-class waterfront, and the construction of a trolley system within the inner city area of Oranjestad.

Upgrades of water management systems are also on the cards, consisting of improvements in water capture and storage capabilities, as well as protection against flooding.

According to Minister of Integration, Infrastructure and Environment Oslin Ben-

ito Sevinger, initiatives such as Bo Aruba are helping the country to gain a competitive edge over the other Caribbean islands.

"Right now the island is undergoing changes; we are seeing schools and roads being reformed, and in four years we want to see the island renewed," says Mr. Sevinger.

"We have a maintenance plan to be able to keep all the new infrastructure in shape, since maintenance is essential.

"We also want to stay on the edge of development;



Oslin Benito Sevinger, Minister of Integration, Infrastructure and Environment

regular meetings with all the ministries keep us one step ahead of the other islands and help us see how we can move forward."

The government is looking for private-public partnerships (PPPs) to help realize its plans.

Mr. Svenger adds: "Aruba is going to organize a PPP center under the United Nations: PPP For The Caribbean, a center of expertise in PPPs where, for example, if Curaçao wants to carry out a PPP, they can come to Aruba to get information and assistance."

Reina Beatrix Airport, the face of Aruba

Most of Aruba's visitors enjoy the convenience of air travel by flying into Aruba's state-of-the-art Reina Beatrix International Airport

Picturesque Aruba draws tourists year-round thanks to its consistently sunny weather, low humidity, and amazing hotels and resorts. Being part of the Dutch Kingdom and located in the Caribbean, Aruba has a privileged strategic geographic position within the Americas, which makes for an interesting air service option within the region.

Served by airlines worldwide,

and large enough to accommodate a Boeing 747 jet and 2.5 million passengers each year, the Reina Beatrix International Airport makes getting into Aruba almost as easy as relaxing on a beach.

With more than 25 valued airline partners providing non-stop service to more than 30 gateways worldwide, Reina Beatrix International Airport, which is operated by Aruba Air-

port Authority NV, has become one of the region's most modern, accommodating, safe and secure airports.

Aruba Airport Authority's business is twofold: to manage and operate the airport and to create a prosperous airport business community which contributes to the economic growth and development of Aruba. "The current situation is better than expected," says

Peter Steinmetz, CEO of the Aruba Airport Authority.

"With all the global economic developments, such as the eurozone crisis and the aftereffects of the banking crisis in the U.S., we would have expected our economic situation to not be as good as we have in fact experienced. In the early days of 2011 we really thought that we would have difficulty seeing growth. Looking back on that year and the first quarter of 2012, we did surprisingly well in the sense that our growth maintained at good levels. That has to do with the tourism industry, which is by nature, a growth industry. I firmly believe that tourism is actually expanding and increasing on a continuous basis."

To coincide with tourism's growth, the airport authority has expansion plans and is investing heavily in its aviation services. "We are not going to build a new terminal or anything like that - it is not that type of expansion," says Mr. Steinmetz. "We can increase capacity with smart solutions, incorporating IT and off-airport

service in the future, but I think the current facility should by and large be sufficient to handle up to 2.5 million visitors in the long term.

"In total, we are investing about 36 million Aruban florins,



Peter Steinmetz, CEO of the Aruba Airport Authority

which is about \$20 million, over the years. This is just for the private flights, but it coincides with Aruba's strategy to have quality over quantity. This is the highest segment you can get. We are working with an operator that also has stations in the U.S. and

in Brazil, so Aruba can work as a bridge between the two."

The airport authority is also investing in service improvement to enhance the overall passenger experience.

"You try to implement service improvements, such as to eliminate long lines and all kinds of bottlenecks, as well as general beautification," explains the CEO. "A couple of years ago we also improved our commercial products and substantially increased our revenues from that. That revenue can then be spent in other issues. We do spend a lot of money on service improvements and passenger experience."

He concludes: "As an airport, our philosophy has always been that we have to do what we are good at. Then you invite other parties from the private sector who are specialists in their fields, to perform functions at the airport as contracted by the airport company. We are actually pioneers in practicing that kind of philosophy without it being a government philosophy from the start."



The Aruban Airport Authority is investing some \$20 million in enhancing the airport's facilities

Infrastructure experts keep Aruba on top

Multidisciplinary company Albo Aruba boasts the best expertise in Aruba's construction sector

Aruba is a small island, but that doesn't mean there aren't big things going on, as construction company Albo Aruba N.V. can attest. As the leading general contractor on the island for the past 32 years, Albo Aruba handles a wide variety of projects under conditions that most contractors working on the mainland would consider quite difficult. Despite the challenges, Albo Aruba has proven itself more than capable of rising to meet them and producing top quality projects.

"Albo Aruba is known for its quality work that can stand the test of time," Managing Director Folkert G. van der Woude says. "Whenever a prospective developer is interested in building complex projects, Albo is approached to do the job."

The company was founded in 1980 on the back of the merger of Albo Bonaire N.V. and Bonocemi N.V., which had worked on and completed the Hospitality Trade School Aruba in 1982. Over the years,

Albo Aruba has developed a portfolio of projects in the hospitality, utility, residential and commercial sectors. According to Mr. van der Woude, the company's work includes public and private projects, and range in size from \$100,000 to more than \$25 million.

"From the moment Albo Aruba N.V. was founded, the

"ALBO ARUBA IS KNOWN FOR ITS QUALITY WORK THAT CAN STAND THE TEST OF TIME."

FOLKERT G. VAN DER WOUDE, Managing Director of Albo Aruba

company quickly grew to become one of the largest independent construction companies on Aruba," Mr. van der Woude says.

Even though the island is fairly remote, it is by no means immune from the challenges being faced by the

rest of the construction industry. "At the moment, due to the worldwide economic recession, it has become a challenge to retain our position in the market," says the managing director.

However, thanks to Albo's reputation and dedication to quality, the company has managed to keep busy. Its recent projects include the renovation of Radisson Hotel Aruba's Bonaire and Curaçao towers. Aruba's oil refinery recently reopened after a period of inactivity, and Albo was tapped to provide maintenance services to the facility.

Many projects in Aruba work under public-private partnerships, something that Albo has been involved in for many years, such as the building of two police stations in Noord and in Santa Cruz. "We are definitely interested in participating in other PPP structures, although we realize that once you get into the outside world of PPPs, there is a lot more involved," says Mr. van der Woude.

Aruba's formula for efficient logistics

One of Aruba's most dynamic businesses, S.E.L. Maduro & Sons is celebrating more than 175 years of expertise

Tracing its roots back to 1837, when it was founded as a trading company, S.E.L. Maduro & Sons is considered one of the oldest established companies in the Caribbean. Today, it is active in shipping services, travel & leisure, and transport industries throughout Curaçao, Aruba, Bonaire, St. Maarten and the Netherlands.

Managing Director of S.E.L. Maduro & Sons (Aruba) Inc. and Maduro Travel (Aruba) Inc., Hans van Esveld, explains a little bit about the company's activities: "We have two main activities: a travel agency and we represent tanker, cargo, cruise, and container lines. When a ship comes in to Aruba, we are in the harbor waiting for them and arranging all legal and customs papers. If there is a sick passenger or crew member, or if they have run out of potatoes or any other supplies, we take care of that."

The second section of the company's business, the travel agency, is the biggest agency in Aruba with about 60% of the market. "We have four different



Hans van Esveld, Managing Director of S.E.L. Maduro & Sons (Aruba)

branches here, and handle all travel arrangements for the Dutch military camp," says Mr. van Esveld. "Other travel agencies are more family-owned smaller operations. Continuity is granted, because when I leave here, somebody will come in and fill my shoes, because there is a solid company structure. In travel and shipping, continuity is important."

Gaining new business is always high on any company's agenda and S.E.L. Maduro &

Sons aims to grow their business even further by attracting cruise tourists during the low season. "The first thing, at least for us as a major cruise ship service provider, it is very important that Aruba attracts more ships in the off-season," says Mr. van Esveld.

"The low season is from June to September, and about 75% of ships are serviced here between October and May. Otherwise there are hardly any ships coming in, even though the facilities are there. We proposed a program with the Aruba Ports Authority, and other islands in the Southern Caribbean to encourage cruise lines to come to the Southern Caribbean during this off period.

"I think that would provide a huge boost for Aruba's economy by providing incentives such as lower rates and tariffs. The impression we get from the captains of the cruise ships when they are in port, is that Aruba is always rated very, very high as compared to other ports by their passengers and the crewmembers."

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Carbon War Room partnership

Aruba and the Carbon War Room launch the Smart Islands Economies Operation to create a replicable implementation model for low-carbon plans on other islands

On June 20, 2012, the Government of Aruba and the Carbon War Room, the global initiative founded by Sir Richard Branson and other entrepreneurs, announced a partnership to transition the island to 100% renewable energy during the UN's Rio+20 Conference on Sustainable Development. The partnership would make Aruba the world's first sustainable energy economy, with the Carbon War Room and the New America Foundation working to both devise and deploy an integrated strategy for the economy-wide transition – a world first, if successful.

"My vision is to create a social and economic resilience for Aruba that will improve the health, happiness and wellbeing of its citizens. I believe that today's commitment will propel Aruba to the next level in our progress toward achieving sustainability," said Mike Eman, Prime Minister of Aruba.

Aruba's partnership with the Carbon War Room and the New America Foundation will bring together the expertise and political will to create and to implement a fully integrated

strategy for sustainable prosperity. Aruba has already made significant advances toward sustainability, with 20% of its energy needs supplied by wind power and several solar projects in development, as well as innovative urban renewal projects designed to promote greater social cohesion of its neighborhoods.

The Government of Aruba, the Carbon War Room and the New America Foundation also filed with the United Nations their announcement of the Smart Island Strategy for Aruba and their commitment to transition the island to 100% renewable energy. The commitment may be found on the website of the United Nations at: www.uncsd2012.org/allcommitments.

According to Mr. Eman, "With our forward thinking utility companies WEB and ELMAR, and the technical assistance of top Dutch advisors, such as TNO, Aruba is within reach of achieving 50% use of renewable energy in the near term. Achieving the next 50%, however, will be more challenging, and we look forward to working with world-class part-



Aruba's Prime Minister Mike Eman, pictured center, with Sir Richard Branson, to his right, at the Rio+20 UN Conference on Sustainable Development held in June

ners of the Carbon War Room and the New America Foundation to make that a reality."

The partners will develop a sustainable growth roadmap consistent with Aruba's consensus-driven policymaking approach of "social dialogue." Mr. Eman noted: "This is a transformative project that will touch many sectors in Aruba. The goal is to promote a greater quality of life for Arubans, so we will develop the plan after consultation with all the stakeholders and extensive community participation, just as we have done on previous large projects. Social dialogue is based on a participatory model we have borrowed from the Dutch political process,

and we find that it works very well transplanted to Aruba."

The plan will address many areas beyond the transition to renewable energy. It also will create world-class walkable destinations for tourists and residents; provide incentives for household retrofits and commercial energy efficiency; implement a sustainable approach to smart growth in the tourism sector to create an inspirational holiday destination; and create an agriculture sector in Aruba that makes the best use of water resources.

Although sustainability and low-carbon plans are not new to island economies, successful implementation is. The Carbon War

Room's Smart Island Economies operation – which was also launched at the Rio+20 Conference – seeks to develop a successful model for low-carbon plan implementation, and replicate it across other Caribbean and Pacific islands that wish to take that pathway. It plans to attract top-tier technology companies to work on Aruba, and hopes to attract philanthropic funding at the early stages to catalyze private investment.

"I am thrilled that the Carbon War Room can help make a difference for Aruba and its people. Aruba can set a wonderful example for other island nations to prove that they can get rid of fossil fuels, protect their wonderful natural resources and still grow their economy – brilliant!" said Sir Branson, founder of the Carbon War Room.

The announcement at the Rio+20 Conference was made at Vision 20/30: Partnership for Islands event by Sir Branson and Aruba's Prime Minister, and co-hosted by the Carbon War Room and the Climate Institute. The event witnessed other island economies make commitments to achieve energy independence. Other speakers included: Christina Figueres, Executive Secretary of the United Nations

Framework Convention on Climate Change, and Jose Maria Figueres, President of the Carbon War Room.

On behalf of the United Nations, Mrs. Figueres challenged Sir Branson and Jose Maria Figueres at the event to do even more and to replicate the Aruba model in 10 other island nations. They gladly accepted the challenge. As Mr. Eman stated: "I am excited about a project that can do so much good in Aruba, but if, as a small island, we also can make a contribution to helping other countries, we would be proud and very, very honored to do so."

The Carbon War Room accelerates private-sector solutions to deploy profitable, scalable, clean technologies. It focuses on breaking down market barriers for capital to flow to entrepreneurial solutions, and takes a global sector-based approach.

The New America Foundation is a non-profit, non-partisan public policy institute that invests in new thinkers and new ideas to address the next generation of challenges facing the United States and the world. Launched in 1999, the foundation is led by President Steve Coll, and an outstanding board of directors, chaired by Eric Schmidt.

Developing a green mind set

Unwilling to rely on foreign oil any longer, state-owned Utilities Aruba (production) and Elmar (distribution) are leading the way in renewable energies and increasing public awareness



Aruba has more than 5,000 hours of wind and 2,500 hours of sun each year. Its Green Park supplies almost 20% of the island's energy; a second park will raise this to 40%

Oil pollutes, is finite, and its price fluctuates immensely. With these three strikes against it, Aruba has decided to steer away from oil entirely, instead focusing on renewable energy sources and liquefied natural gas (LNG). The islands' state-owned utilities companies, Utilities Aruba N.V. and its subsidiaries Elmar and WEB Aruba, are setting the pace in this quest.

What management is fully aware of is that the transition to a greener future does not lie solely in the hands of the government and the private sector, but in the hands of citizens, as well. "To implement a green or renewable energy policy, we need to create momentum and aware-

ness. It is not only the wind turbines and solar panels, but it is a way of thinking as well," says Dr. Franklin Hovertsz, Managing Director of Utilities.

For this reason, education will be the main topic of the third annual Aruba Green Conference. At the first session, held in 2010, Al Gore was the chief speaker, thereby giving the newly established annual conference a huge kick-start in terms of publicity and esteem.

"At this year's conference we will have to concentrate on and strengthen the educational part," says Dr. Hovertsz. "The energy policy consists of the supply side (machinery, wind farms, solar panels and so on) and the de-

mand side (the people consuming energy). In that sense, we have a long way to go when it comes to energy consciousness."

One of the campaigns that Utilities, along with Elmar and WEB Aruba, has implemented to generate public awareness

"MY CRITICAL COMMENT ON THE RENEWABLE INDUSTRY RIGHT NOW IS THAT IN TERMS OF BUFFERING ENERGY STORAGE, THEY ARE RUNNING BEHIND."

DR. FRANKLIN HOVERTSZ, Managing Director of Utilities Aruba N.V.

concerning the importance of energy frugality is called "Hunto nos ta Spaar", or Together We Will Save. Robert Henriquez, Director of Elmar, explains: "We got the involvement of the students. These kids are the future, and if we can start to make them understand how important it is to manage their daily utilities consumption, they, in turn, spread the word. They share what they know with their neighborhood. It is a positive chain reaction, people learning from each other. How they apply what they have learned will go a long way towards promoting responsible usage of utilities."

The campaign also includes TV commercials, energy and water audits, and the distribution of energy-saving light bulbs. Indeed, water is also a valuable resource – especially on a small island like Aruba – which the country is sourcing in innovative ways. Dr. Hovertsz says that water desalination is being replaced by a seawater osmosis process, "which is even more efficient when it comes to producing potable water."

Alfredo Rafine, Policy Advi-

sor at Utilities Aruba, comments: "We had 7,000 cubic meters a day working and they are basically installing one right now from 24,000 tons per day. In Aruba we will use around 35,000 to 45,000 tons a day. We still need the multi-stage flash system because you

cannot make industrial water from this. So we still have to use some steam, but it is not a lot."

As for energy production, Aruba already has a 30 MW wind farm installed and has plans to double this with a second farm. Although there is no solar park

yet, numerous buildings have solar panels installed and a pilot scheme has been conducted for social housing with solar film, according to Dr. Hovertsz. "The figures obtained were very good. With regard to return on investment with solar film, it is good, so we have a reason to continue with that," he says.

Aruba knows that it cannot go 100% green overnight, and that not only will it take time, it will also take considerable planning and technological advancement that takes into account the island's conditions. "We try to keep a balance between our goals and the realities of the environment," says Mr. Henriquez.

Fortunately, energy losses during transportation are at a minimum: 6.5%. What remains to be addressed with renewable en-

ergies, however, is the issue of storage, given Aruba's grid isolation. Dr. Hovertsz explains: "Continental countries have more flexibility when it comes to introducing renewable energies because the moment there is no wind, they can import some energy. We cannot. The moment the wind stops blowing, no electricity is being generated. We have to have a backup – either we store energy (which is a very expensive process right now) or we need another backup, one way or another. My critical comment on the renewable industry right now is that in terms of buffering energy storage, they are running behind."

The managing director praises TNO's presence on the island and believes that they can develop some breakthroughs and solutions in this field.

TNO and Aruba on the green track

In October 2011, Aruba became the second foreign country to host one of The Netherlands' most innovative, creative and intelligent enterprises: TNO. In Aruba, TNO is helping to set up an environmentally sustainability energy matrix

An independent and non-profit company, TNO is the third largest applied science organization in Europe, covering fields of industrial innovation, defense and security, energy, healthy living, transportation and mobility, ICT, and urban planning.

The Dutch company chose to open offices in Aruba for various reasons, among them its perfect climate for sustainable energy (namely, wind, sun and seawater for cooling). TNO also views the island as a springboard for the rest of the Caribbean region and Latin America. Together, the Aruban government and TNO have begun working towards a vision of making Aruba 'green'.

"We think you can use this island as a model in terms of how the world could be in the future," says Jan Ebbing, head of Caribbean Branch Office TNO. "We want to make it completely sustainable, so the people from this area can look at the neighborhood where we do our experiments on a smaller scale, and see how biogas and wind, solar and wave energies, etc. can create the ideal mix of energy without using fossil fuels for energy."

Aruba's extreme weather conditions call for equipment – such as turbines and solar panels – resistant to wind, sun and salt spray. Mr. Ebbing says



TNO believes Aruba could be a model for the world in terms of sustainability

that these parts often malfunction in Aruba, and that is where TNO comes in. "We are very well-equipped to make applications so they can work well in this environment."

The next step is for industries to come to Aruba, bringing their equipment. "Then they can sell it in this environment with a certificate from the states and Europe. They can prove here that their windmills are working here. We are using [Aruba] as a hub for Latin America to Europe and vice versa," explains Mr. Ebbing.

For TNO, sustainability is paramount. One part of sustainability is raising awareness of the importance of reducing energy spending. TNO is in talks with several

U.S. and Dutch universities to set up a special green faculty in Aruba, where students and professionals can do a 2+2 program to earn a Bachelor's degree in Sustainable Studies.

Another key part is employing locals so that they acquire the knowledge and skills to carry on the business independently. "We want to work with local people from the region; you are not going to fly in a dozen expats and get them to live here for a few years and then go back, because that is not sustainable," says Mr. Ebbing.

Aruba's energy matrix is already well on its way to being 'green', with more than 20% of its energy coming from renewable sources.

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Pioneering new approaches to healthcare

Minister of Health and Sports Richard Visser is spearheading a drive to improve the health of the Aruban people, combating obesity and drug addiction and improving medical facilities

Aruba's Minister of Health and Sports Richard Visser achieved two firsts when he addressed the 66th session of the United Nations in September 2011. He was the first official representative of the island to speak at a UN High-Level Meeting, and his presentation of the Aruba Declaration on Obesity with Special Attention to Childhood Obesity was the first time non-communicable diseases had ever been discussed at a meeting at this level. Indeed, it was only the second time health issues have ever been discussed at a UN High Level Meeting—the AIDS epidemic being the first.

The declaration was signed by 22 nations of the Americas when Aruba hosted the first-ever Pan American Conference on Obesity with Special Attention to Childhood Obesity in June 2011. It calls for nations to commit to the fight against childhood obesity, for governments, institutions and communities to share strategies, and for greater investment in promotion of a healthy lifestyle.

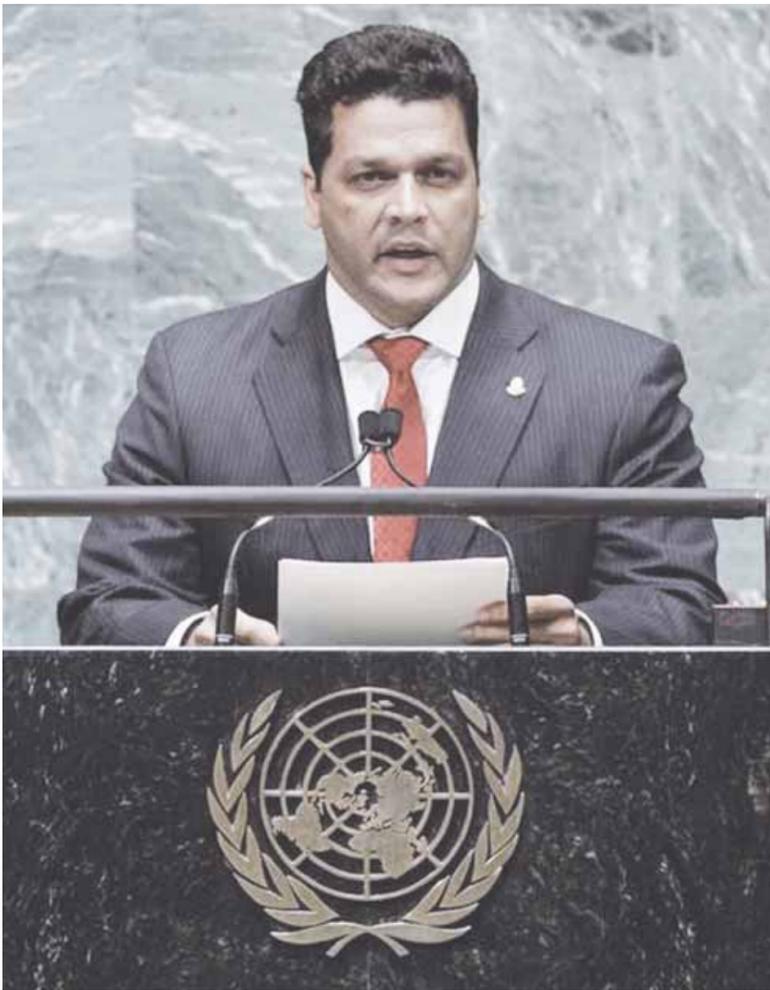
Obesity is on the rise in the Pan-American region, the consequence of a growing trend of poor eating habits and little physical exercise, and if unchecked is set to result in an increase in chronic diseases in the future.

The burden of non-communicable diseases is already having an adverse effect on health costs in Aruba itself, where the prevalence of overweight and obesity has increased alarmingly among children.

"Aruba has a higher rate of obesity than the U.S.," says Dr. Visser, who has carried out extensive research on the subject. "In adults it is 77% and 36% in children."

Little used to be done towards prevention, but under Dr. Visser's leadership, the Ministry is now taking an integrated approach towards educating citizens on the importance of a healthy lifestyle, nutrition, and physical fitness activities.

Dr. Visser has devoted much of his professional life to childhood health and nutrition. Born



"WE HAVE TAKEN ADDICTION OUT OF THE JUSTICE SYSTEM, AND PUT IT UNDER HEALTHCARE, WHICH THEN MEANS THAT YOU TREAT IT AS A DISEASE AND NOT AS A CRIME."

"WE HAVE BASICALLY GIVEN ALL THE POWER, THE MONEY AND THE RESOURCES TO THE NON-GOVERNMENTAL ORGANIZATIONS. WE HAVE HANDED POWER TO PEOPLE WHO CAN REALLY USE IT."

"MY FATHER WAS OVERWEIGHT ALL HIS LIFE. IF HE OR HIS PARENTS HAD MADE BETTER HEALTH CHOICES WHEN HE WAS A CHILD, MY DAD MIGHT BE ALIVE TODAY."

DR. RICHARD VISSER, Minister of Public Health and Sport, speaking on behalf of the Kingdom of the Netherlands during a UN high Level Meeting

in Aruba, he studied in the U.S. and is a renown expert in the field of childhood obesity.

His motivation is personal as well professional; when he was eight years old, his father died from obesity-related causes. "My father was overweight all his life," he says. "If he or his parents had made better health choices when he was a child, my dad might be alive today."

Recently, the Minister visited the White House, where he met with the obesity consulting team of First Lady Michelle Obama, who has made combating childhood obesity one of

her main projects. The U.S. team has expressed interest in implementing some of the ideas outlined in the Aruba 2009-2018 health plan, which Dr. Visser helped draw up.

Dr. Visser's fresh approach to obesity reflects the paradigm shift he has brought to the Ministry of Health and Sports since his appointment in 2009, which is characterized by modernization, use of technology, innovation, and education.

It is evident in the ministry's approach to another significant health problem in Aruba—drug addiction.

"We have taken addiction out of the justice system and put it under healthcare, which then means that you treat it as a disease and not as a crime," says Dr. Visser.

"The government takes responsibility for the main direction of where we want to go—coordination, administration, and technology—but we have basically given all the power, the money and the resources to the non-governmental organizations. We have handed power to people who can really use it."

Representatives from non-

governmental organizations (NGOs) sit on a national drug agency that advises the minister. "Each NGO has direction—they do not just do whatever they want. They are financed by us, and they have to adhere to what we as a group decide. Our social system has also changed so that the government is paying for most of the treatment right now, and that is a huge switch and change in terms of how we deal with addiction."

A 24-hour hotline has been set up to provide guidance for addicts and their families. Addicts who are aggressive or

disturbing to the community can be compelled to undergo treatment.

"We have worked together with the ministries, the police and the judges here to design this program. The judge makes a decision and we can then pick them up and put them under mandatory treatment for one to two years. We have a capacity of about 150 for people who voluntarily go for treatment and a capacity of around 62 for aggressive patients."

Tracking software supplied by DeHoop in Holland has been provided around the island, so that whenever an addict is admitted medical staff will know what treatment is required. As with obesity, there is an emphasis on prevention as much as cure, and trainers are taking a prevention program for addiction, alcohol, and drugs to Aruba's schools.

Significant benefits to Aruba's health system are expected to spring from a strategic partnership formed between the IMSAN medical center in San Nicolas and the American hospital chain Baptist Health International, including the establishment of an oncology facility for the treatment of cancer and an urgent care center.

Meanwhile a major expansion and modernization is planned for Aruba's only fully-fledged hospital, the Dr. Horacio Oduber Hospital built in the 1970s.

This is expected to be completed in 2015. A new six-storey tower will enlarge the size of the hospital by 60%, and will include 90 new rooms for patients and a modern ER.

Dr. Visser promises state-of-the-art technology and a design linked to efficiency and functionality.

"We are looking to have an exemplary hospital. We are set up to be totally compatible with e-care, m-medicine etc.," he says.

"Aruba has the great fortune to have a high standard of care, and with this new project infrastructure catches up. If you build the right environment, in itself your quality of care will increase."

PACO to stop child obesity in the continent

Health summit will raise awareness and prompt action to combat obesity "epidemic"

A third Pan-American Conference on Obesity, with Special Attention to Childhood Obesity, is to be held in Aruba this June.

PACO III, 2013 will follow the highly successful first two conferences held on the island in 2011 and 2012, and, as before, has the backing of the WHO and the Pan American Health Organization (PAHO). At the first annual event, representatives from 22 nations of the Americas signed a declaration calling for action on obesity, and childhood obesity in particular. Among those representatives were W. Coutinho (President of IASO, Brazil), H. Blanck (Branch Chief, U.S. Obesity Prevention and Control Branch, Centers for Disease Control & Prevention) and S. Pfohl (Executive Director, President's Council on Fitness, Sport & Nutrition, White House Task Force on Childhood Obesity, U.S.).

Dr. Richard Visser says what is needed is a change in the environment around vulnerable individuals and groups, especially in the Americas where he describes the prevalence of obesity as "an epidemic." In Aruba this has led to a focus on education initiatives and promotion of a healthier lifestyle.

The three-day conference aims to propose a specific platform for the prevention of obesity nationally and internationally to facilitate implementation of intervention actions and research.



Dr. Richard Visser with Dr. Mirta Roses Periago, Director of PAHO, and Dr. Margaret Chan, Director General of the WHO

Co-branding better healthcare on the island

New radiotherapy service will mean cancer patients will no longer have to travel abroad for treatment



Every year, Aruba has to send around 200 cancer patients abroad for radiotherapy, as it lacks the facilities to provide the care they need. However this is set to change thanks to a five-year agreement between the IMSAN medical center in San Nicolas and the American hospital chain Baptist Health International (BHI) of South Florida.

The deal, which will see the creation of Aruba's first oncology center, will mean that patients will be able to receive treatment closer to home. IMSAN is to be converted into a hospital that will provide advanced medical treatment not only for the people of Aruba but for patients from other Caribbean islands as well. The conversion is expected to take about a year.

"It is [BHI's] first move into this area," says Dr. Visser. "We are going to do radiotherapy, chemotherapy, nuclear medicine, and continue developing it to a complete cancer hospital."

BHI will also assist in developing a state-of-the-art center for the treatment of diabetes, which is prevalent throughout the Caribbean, and in converting the emergency department into an urgent care center to reduce the pressure on the island's emergency care facilities.

Dr. Visser sees big potential for e-medicine and believes Aruba could become a center for medical tourism.

"We are going to be digitalized, meaning that a doctor here can work on a patient while a doctor in Miami does as well. All the vitals and the scans will be digitalized. We are going to create a whole new sense of how we can optimize care in countries that do not have super-specialists."

Elderly tourists to Aruba can rest assured that if something happens, they will be able to connect with the U.S.

Technology will revolutionize patient care

Plans to introduce e-medicine and m-health are among innovations in the island's healthcare

Involving patients in their own healthcare through the Internet is an important part of the innovative way Aruba's Ministry of Health and Sports is seeking to improve healthcare on the island.

Dr. Visser is a keen supporter of e-medicine and wants to see more and more patients getting medical advice

and care by consulting their doctors online through e-mail, secure messaging, and face-to-face online doctor visits. The ministry is also looking at introducing m-health, which enables patients to use mobile communication technology to keep an eye on their health.

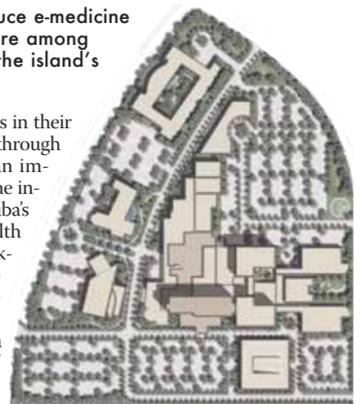
"Devices that we have now can monitor you wherever you are," says Dr. Visser. "We want to develop that. This is the future of medicine."

There are plans to introduce the integrated web-based healthcare platform, Drimpy, which combines a patient's health record and journal with a network and the ability to communicate with doctors and health professionals.

"Eventually every citizen here will use it. You will be able to access your public health files, your hospital, insurance and specialists and doctors who will answer your questions directly."

There are innovations in the real world too, including plans for a health bus—effectively a traveling clinic with a scanner to measure BMI (Body Mass Index), and a laboratory. "The bus will do screening on obesity and non-transmittable chronic diseases," says Dr. Visser. "At the same time, the information coming out of the bus will be used for research."

In other interesting developments, Soper Strategies of the Netherlands has been working on a project to free the island of the infectious tropical disease dengue, while the hotel industry is collaborating with the Institute for Healthy and Active Living (IBISA) on a guide to healthy lifestyle activities for tourists.



Future renovation and expansion of the Dr. Horacio Oduber Hospital



Tourism, the engine of 'One Happy Island'

The Caribbean is teeming with beautiful islands with white sandy beaches, but few are as welcoming, friendly and environmentally conscious as Aruba

In 1985, Aruba's breadwinning sector shifted from oil refining to tourism, and the island hasn't looked back since. More than 70% of GDP stems from tourism in one form or another, and what sustains this goes beyond just marketing. Ronella Tjin Asjoe-Croes, CEO of the recently privatized Aruba Tourism Authority (ATA), believes that while the Aruban sense of warmth is deeply ingrained in her island's culture, the tourism product on offer is also of superior quality.



RONELLA TJIN ASJOE-CROES, CEO of Aruba Tourism Authority

"Having traveled to most of the islands in the Caribbean, I think there is a difference when we talk about the hospitality of the people here," she says. "The Aruban hospitality is truly genuine and we mean it. I also think that the quality of the product is very strong, and that that is a differentiating factor. Our quality also stands for consistency and reliability. Aruba scores very high in terms of both value for money and overall experiences."

With a suspension on construction of new hotels, Aruba is now focusing on improvements; over \$1 billion is being invested through the Tourism Product Enhancement Fund in beautifying and developing already excellent infrastructure.

from the restoration of monuments and a 10-mile long waterfront park to the airport and a new tram system. Eco-tourism has been identified as a strong suit worth pursuing, and already some 20% of Aruba's land is protected as part of the Arikok National Park.

The natural beauty and warm hospitality are complemented by Aruba's cultural diversity. With more than 90 nationalities inhabiting the island, Aruba serves as a type of cultural bridge that unites the Caribbean, North and South America, and Europe.

The economic recession took a toll on the Caribbean tourism industry, yet Aruba's allure and marketing strategies successfully kept figures in the black throughout. In the first six months



of 2008, Aruba enjoyed strong results for occupancy and REVPAR (revenue per average room); however, in the second half of the year through 2010, it only managed to stay flat or achieve small growth figures, says Ms. Tjin Asjoe-Croes.

"We realized that we had to invest more during this time in order to generate at least the same business, or something extra. It was very tough, but Aruba managed to do that."

The privatization of ATA in 2011 has been a savvy move towards further boosting tourism. According to the CEO, it allows for the marketing organization to "be able to function independently, react fast and allow for Aruba's marketing to be conducted in an efficient, timely and innovative manner."

For Otmar Oduber, Minister of Tourism, Transportation and Labor, converting the former government agency into a kind of public private partnership allows the public and private sector to move forward hand-in-hand. "We believe it is very important to make sure that the private sector knows exactly what the government is doing as well as keeping them on board in terms of the strategies that we're using. The focus was on putting Aruba two steps ahead of other competitors in the Caribbean, not just with infrastructure, but also on the service and hospitality side," he says.

Also keeping Aruba "two steps ahead" is the belief and confidence in young professionals coming on board. "Many of the island's ministers are rather young and with strong professional backgrounds and this is also the case of ATA. There is a fresh perspective, combined with a lot of hard work and dedication in order for the island to be 'two steps ahead,'" says Ms. Tjin Asjoe-Croes.

For ATA, the next several years will see a focus on sustainable development of high quality, as opposed to a strategy of mass development. "Tourism will remain the pillar of the economy and we must ensure that our visitors return with a sense of over-satisfaction and that they become our ambassadors who spread the message about our beautiful and 'dushi' (sweet) Aruba," says the CEO.

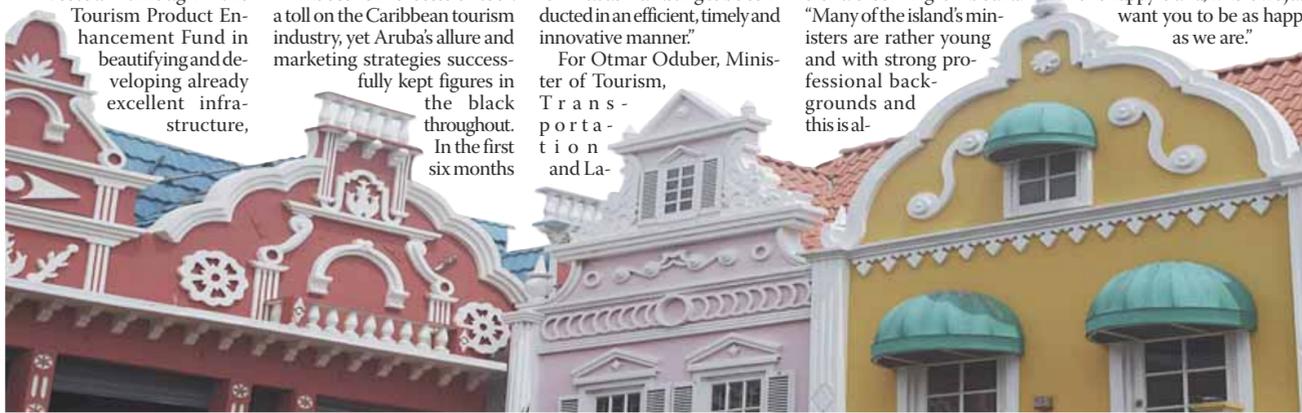
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Connecting Aruba to the world

Flying to Aruba from any city in the United States is now easier and more convenient than before, thanks to the creation of Insel Air Aruba

A sister company of the original Insel Air based in Curaçao, Insel Air Aruba is creating a new kind of hub in Oranjestad based largely on tourism, and is using the island as a market for expansion.

"Insel Air is focused on leisure and business travelers. Insel Air already operates in 16 destinations and we see that we can attract tourists from other countries to Aruba and more point-to-point transportation," says Frederick Nuboe, CEO. "Insel Air is able to create new business opportunities by creating a new point-to-point routes within the Pan-American region, which contribute to the Aruban business market as well as enlarging the capacity of bringing leisure tourists to the island."

Insel Air's fleet of Embraer 110-P1 Bandeirantes and Fokker 50s is perfect for island hopping, while its four McDonnell Douglas MD-82s and one MD-83 afford comfort and safety for medium-length trips, such as Insel Air's direct flights to Charlotte and Miami.

The choice of Charlotte may not be obvious at first, but given Insel Air's alliance with US Airways, whose main hubs are Charlotte, Philadelphia and Phoenix, it makes excellent



"INSEL AIR IS ABLE TO CREATE NEW BUSINESS OPPORTUNITIES BY CREATING A NEW POINT-TO-POINT ROUTES WITHIN THE PAN-AMERICAN REGION."

FREDERICK NUBOE, CEO of Insel Air

sense. Passengers ticketed with either airline can check-in just once and have their luggage booked all the way to their final destination – be it Aruba, Las Piedras (Venezuela), Bonaire, Paramaribo (Suriname), Saint Maarten, or any other city where Insel Air flies.

This applies to Insel Air's other partner airlines as well, which include KLM and Air France.

The partnership helps make flying more hassle-free, too. "The passengers are always protected. If Insel Air or KLM is late, we have to wait or give them accommodation or something else," explains Olivia Heerenveen, Corporate Communication Manager.

Another fantastic selling point for Insel Air – especially in these times of cutbacks and scrimping on the details – is the customer-centric service. "We do not charge for food and beverages and you get a normal amount of baggage if you want to go shopping (up to 88lbs.). If you upgrade, you get 44lbs. more," says Ms. Heerenveen.

Insel Air is pleased with its entrance in Aruba, especially given the island's excellent infrastructure. "Our airport is relatively new; there are plans to even expand this because new airlines are emerging in Aruba. You will see that the Government and its companies are thinking together with airlines to accommodate them. That is important for us, because if we are going to grow here, we need infrastructure," says Mr. Nuboe.

The one-stop portal to fun and adventure

For vacationers in Aruba, high-ranking De Palm Tours focuses all its efforts on ensuring there is something for everyone

Planning a vacation to a paradisiacal island sounds fabulous, until one gets down to the details, the dizzying array of options, and the logistics. In Aruba, one tour company offers nearly everything tourists could possibly fathom, thereby making it easier to organize the perfect fun-filled, sun-drenched trip.

Calling itself a "one-stop portal to fun and adventure," De Palm Tours has a smorgasbord of activities which includes island bus and jeep tours, submarine tours, and sailing and snorkelling from a catamaran. In other words, there is something for every taste and pace.

In addition, De Palm owns Aruba's only all-inclusive destination: De Palm Island. On this little sandy oasis surrounded by coral reefs, the fun never ends. From banana boat rides and sea trek underwater helmet walks, to waterslides, SNUBA (similar to SCUBA diving) and organized daily activities, guests will easily work up an appetite for De Palm Island's all-you-can-eat buffet and open



Guests at De Palm Island can easily explore its incredible coral reefs

bar. For those who opt for relaxation, wading in the island's crystalline, turquoise waters can nicely finish up a pampering massage right on the beach.

Back on the main island, De Palm tours take visitors to unique destinations, such as the Natural Pool, where the only way of getting there is by De Palm's four-wheel drive Land Rovers. On the water, catamarans cruise by day to take guests snorkelling and sailing, and by night to allow visitors to enjoy

sunset and dinner. Underwater, Atlantis Submarines dive to depths up to 130 feet to give guests a fabulous view of colorful schools of tropical fish, huge sponge gardens, beautiful coral fields and two sunken wrecks.

De Palm has been in the business for more than 50 years and has, over this time, garnered tremendous expertise in customer service and has all but cornered the market in tourism activities, thanks to its diversified offering of products and services. Indeed, De Palm Tours is ranked second in Trip Advisor's list of tours in Oranjestad and sixth overall in Aruba, while De Palm Island is in the top 17 of all Aruban attractions.

Warren Stanley, General Manager of De Palm Corporation, says that rather than branching out to other islands, the company will continue to concentrate on maximizing the opportunities in Aruba, while seeking "out the resources and technologies to be less of a burden on the environment" – a strategy in line with Aruba's quest to go green.

Your Aruba Adventure Starts Here

Your one-stop shop for tours and transportation including airport-to-hotel transfers, jeep, sailing, and snorkeling tours as well as day trips to our all-inclusive private island attraction, de Palm Island.

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