

# A platform for regional integration

By **EDWIN ROOS**

PRESIDENT, CHAMBER OF COMMERCE OF ARUBA



**EDWIN ROOS** started his career in IT at Volmac Nederland BV, now part of CAP Gemini, and gained extensive experience in both Holland and Aruba. He became a Board Member of the Chamber of Commerce of Aruba in 2003 and has been the President of the Board since mid 2004. Mr Roos is currently Senior Manager of IT & Central Services for the RBTT Bank Aruba NV.

The IX Business Forum of the Greater Caribbean, to be held in Aruba in September will provide a meeting point where business people can access a wealth of information about business opportunities in the region and beyond. It will also be an opportunity for Aruba, as the host, to contribute to the Association of Caribbean States (ACS), to promote and strengthen trade and investment in the region, and in the process benefit Aruba itself. For the Chamber, this Business Forum is an opportunity to introduce the local business community to a wide range of businesses in the region; businesses with a desire to learn more about Aruba and ultimately to enter into business relationships with one another. Furthermore, the Forum offers opportunities to develop and deepen cooperation between Caribbean nations.

The ACS Business Forum introduces local companies with ambitions of expanding and exporting to foreign markets to businesses interested in acquiring products and services from other countries. In this sense, the Forum also acts as a platform for Aruba to promote itself as a dynamic and trustworthy trade partner. As the representative of the local commercial sector, it is the duty of the Chamber to make sure that the ACS Business Forum meets the expectations of the local business community.

The Aruba Chamber has participated in four previous ACS Business Forums: Mexico City (2001); Costa Rica (2002); Santiago de Cuba (2003), and Panama City (2007). Our experience is that there is always a mutual interest in trade and economic development among the participating countries, and a will to strengthen cooperation ties among participants. For example, in Cuba during the 2003 Business Forum, the Aruba Chamber signed a cooperation agreement with the Chamber of Commerce of the Republic of Cuba.

## **Reasons for hosting the IX ACS Business Forum**

The Aruba Chamber had expressed a desire to host the ACS Business Forum in previous years, so when the Department of Economic Affairs decided to bring the Forum to Aruba this September, it was a logical step for the Chamber to join the organising committee.

The Aruba Chamber has various reasons to participate in the Forum. One has been mentioned above: to provide local entrepreneurs with the opportunity to meet businesses from the Caribbean region who may

become clients, suppliers or distributors. This event will also provide participants, both local and international, with the opportunity to exchange information and to learn from experiences at all levels.

Because of the diversity of its participants, the event will provide a platform for various types of meetings. There is the Special Committee on Trade Development and External Economic Relations, for example where government officials and ambassadors will discuss various aspects concerning the economy and investments at an international level.

The focus at the Forum of Trade Promotion Organisations of the Greater Caribbean will be on how to diversify the region's tourism industry. As an important issue to all our countries, it is an excellent opportunity for us as peers to exchange best practices. The Chamber acknowledges the diversification of our tourism sector as the best way to stay competitive in this fast moving industry, where the increase of fuel prices has become an additional challenge and new destinations are emerging constantly. We have to continuously upgrade our product in order to retain our many repeat guests, whilst at the same time finding new and sustainable ways to attract new visitors – a necessity, since about 80 per cent of our economy is directly or indirectly linked to the tourism sector.

The business conference and other activities on the agenda will facilitate information exchange between entrepreneurs. The speakers are all experts in their respective fields, offering participants a wide view on the issues to be discussed, where the focus will be to gain knowledge from practice. Here, entrepreneurs can approach clients, suppliers and distributors and come to their own agreements.

The Chamber sees the opportunity to create an international network for businesses operating in the region. A network accessible to all, making the exchange of knowledge and experience easier, collecting and comparing statistics among the different countries involved, and increasing the cooperation between ACS Member States and Associate Members.

## **Advantages of investing in Aruba**

Aruba has more to offer than friendly people and nice beaches. It has been an autonomous country within the Kingdom of The Netherlands since 1986. Aruba

has a stable economy and political environment, based on the Dutch legal system, including a judicial system with the Supreme Court in The Hague at its apex. The Central Bank of Aruba conducts monetary policy and supervises the financial system, in order to guarantee the stability of the Aruban florin (pegged to the US dollar), creating an attractive investment climate in Aruba.

Other advantages include the fact that the local population is multilingual and communicates in at least three languages (Dutch, English and Spanish). The education system on the island is of a high standard as it is based on that of The Netherlands. Students enrol easily in international colleges and universities to continue their studies. Overall, Aruba can count on a well skilled labour force as befits a modern economy.

Aruba has an enviable strategic position, lying outside the hurricane belt and close to the markets of both South and North America. The communications infrastructure on Aruba is well developed. The island is easily accessible by air and sea; it has three harbours and a modern international airport, with good security and US INS (Immigration and Naturalisation Service) pre-clearance facilities for commercial as well as general aviation. Many aeroplanes and ships, both scheduled and charters, arrive weekly from various countries. A good digital communications network makes e-commerce accessible to local businesses. Close ties to the European Union also make communication between Aruba and the EU easier.

The above mentioned advantages make it possible to have good logistics from Aruba within the region, as well as to the United States and the European Union.


Our currency, with its stable exchange rate with the US dollar, maintains Aruba's attractiveness as a destination to the USA, our main target market, and makes trade with the US a logical choice in many ways. However, we also have good relations with many other trading partners, in South America, the Caribbean region, the Netherlands and various other countries within the European Union, as well as Asian countries such as China and Japan.

#### **Main industries**

Aruba has an open economy, whose main industries are tourism, wholesale and retail trade, real estate, banking and construction. The large and successful tourism sector has created a lot of expertise on the Island. Many Arubans are also highly trained and have a great deal of experience in this industry, which creates the opportunity to export this knowledge to other countries. The same goes for the financial sector, which benefits from a stable economic environment and currency, allowing Aruba to offer financial services to international investors.

#### **Challenges for Aruba**

Aruba faces many challenges, like many other small islands competing in a globalised world. The decreasing value of the US dollar affects us directly; rising fuel prices are driving prices higher and forcing us to find other sustainable solutions. Aruba has a minimum of tangible export products, leaving us with little more to export other than our services as a tourist destination. At this point we should emphasise that export is not only the trade of tangible goods, but that exporting our services is an opportunity right in front of us. We see it as our task, as the Chamber, to make local businesses aware of this opportunity.

Aruba is one of the destinations in the Caribbean that is an example to many small economies around the world. In a little more than twenty years the island has grown enormously; not without trial and error, but we learn from our mistakes. Maintaining a stable economy and a solid legal and governmental framework, will help make Aruba a secure place to invest. We are standing at a crossroads right now. Together with other stakeholders, we have to make choices and decide which direction to take. The Chamber foresees that energy, environmental and demographic issues will force us to adapt to more sustainable ways of doing business. The tourist industry needs to find new markets to reposition itself, and we need to keep developing our economy in spite of our demographic limitations: less quantity, more quality. Aruba has much potential to keep growing, improving productivity; we just have to start thinking outside the box. 

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Aruba's distinctive divi-divi tree owes its unusual shape to the island's prevailing trade winds

