

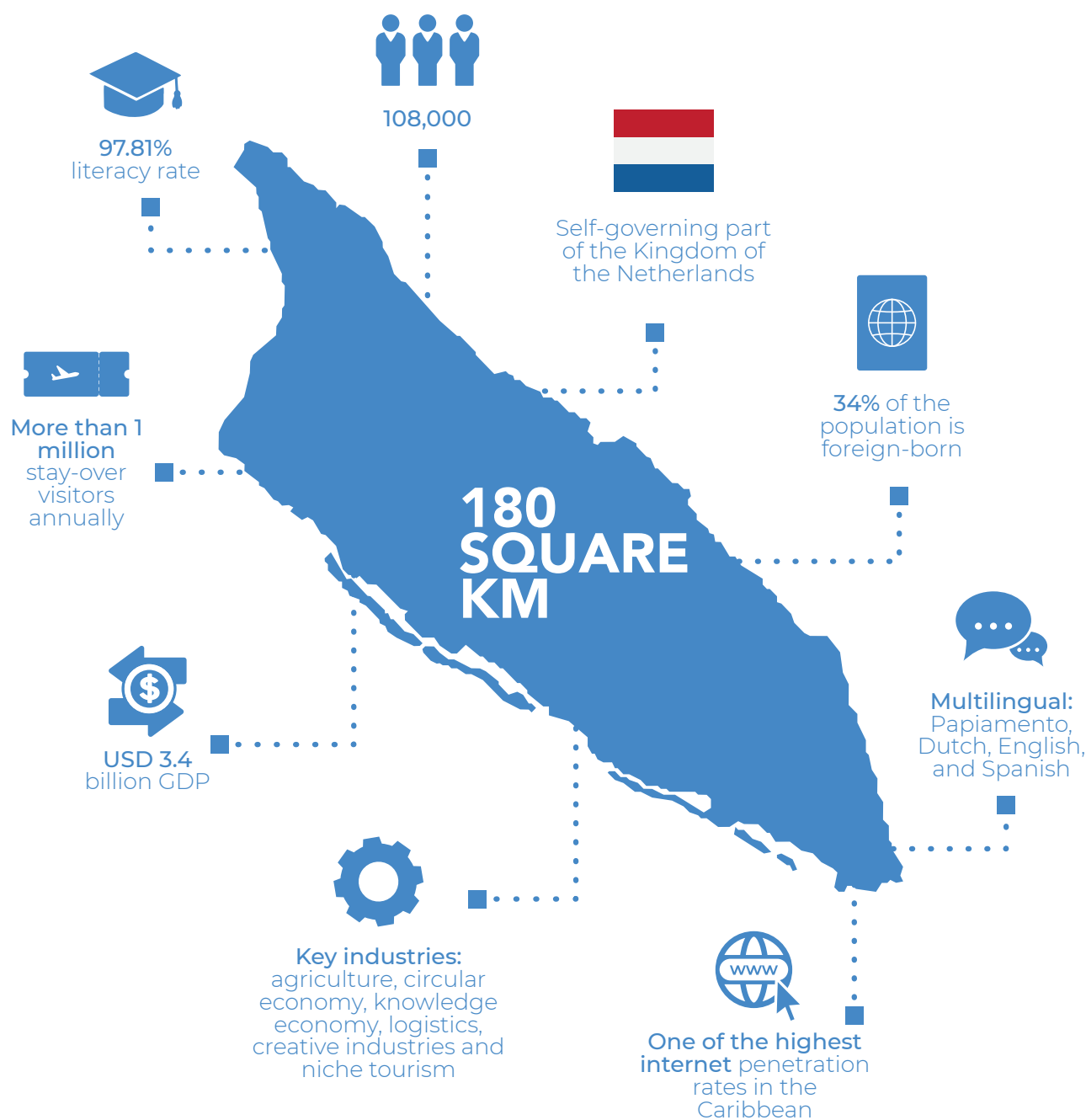


# INVESTOR GUIDE 2023



# ABOUT ARUBA

A leader in sustainability and tourism, Aruba's knowledge-based future is on the horizon





# OVERVIEW GUIDE FOR INVESTORS



# ARUBA: MORE THAN FUN IN THE SUN

Aruba is anything but business as usual. As part of the Kingdom of the Netherlands, Aruba offers a stable government and a reliable and secure legal system. Resilient and dynamic with strong economic stability and bountiful natural resources, the island is a top investment for diverse companies interested in making a sustainable impact, both locally and around the world.

## Talented Workforce

As an investment destination, Aruba is all sunny skies and cool trade winds. No matter where they originate, businesses that relocate to Aruba find a hardworking, well-educated and multilingual workforce with a passion for sustainable innovation and lifelong learning.





## Favorable Investment Environment

Aruba is the #1 Investment Climate in the Caribbean as ranked in 2021 and 2022. As part of the Dutch Kingdom, Aruban businesses enjoy investment protection agreements (IPAs) and exported goods from businesses in Aruba can be free of import duty to the EU and the US.

## Business Opportunities

Aruba is safe, modern and reliable for business, with efficient connectivity via both sea and air. The island, strategically located within the southern edge of the Caribbean, offers proximal access to Latin and North American markets. Aruba also fosters an open, market-driven economy with a strong passage to Europe.

# ARUBA #1 IS THE #1

Investment Climate in the Caribbean  
as ranked in 2021 and 2022.

(Economic Bureau Amsterdam, 2021 and 2022)



## About Us

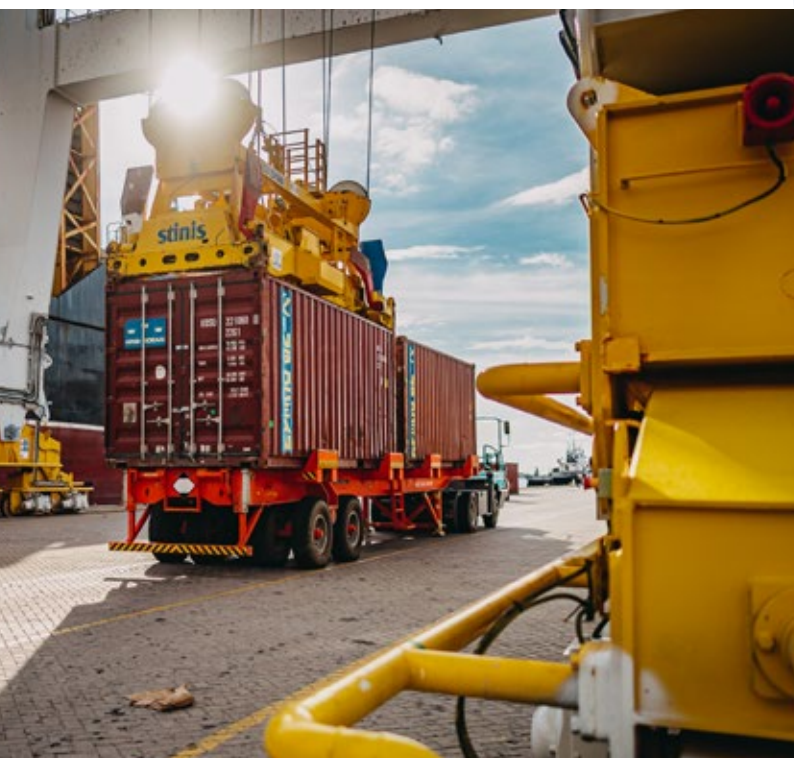
The Aruba Investment Agency (ARINA), an operational unit of the Department of Economic Affairs, Commerce and Industry of Aruba (DEACI), is dedicated to helping businesses reach their greatest potential in Aruba. We work closely with strategic partners both on the island and around the world to facilitate business development.

As the first port of call for new business in Aruba, ARINA provides free assistance and advice throughout the business establishment, relocation or expansion process. Regardless of the stage of your business, you can count on ARINA for the necessary support and connections to realize your investment decisions.

This practical guide gives you relevant information about the island, making your choice of Aruba as your next investment destination an easy one.

We want to welcome you to Aruba, your next investment destination.

The ARINA Team







# KEY DIFFERENTIATORS OF ARUBA



## Political Stability

As part of the Kingdom of the Netherlands, Aruba offers political stability, an excellent legal system, and an extensive network of Kingdom embassies.

## A Democratic and Judicial System

Setting up a company and doing business in Aruba is supported by a clear and enforceable legal framework backed by the Supreme Court in The Hague, the Netherlands, providing even the most demanding entrepreneurs with confidence.

## Reliable Connectivity

Aruba's telecommunications, water, and energy are regional frontrunners. Connected through multiple submarine cables and equipped with a state-of-the-art backbone for telecom, Aruba ranks among the highest in reliable and fast telecom facilities in the region.





## Efficient Financial System

Aruba's financial system meets the highest international standards. The Aruban florin is pegged to the United States dollar at 1.79 florins per USD. You can also open US dollar accounts, facilitating your international payments. The local credit institutions are well-equipped with trust, insurance, and investment departments providing local and international services.

ARUBA SCORES  
**SECOND-BEST  
IN FINANCIAL  
INTEGRITY**  
(CFATF, 2022)

## Excellent Education

Education plays a crucial role in the development of Aruba. The education system is organized along similar lines as the Dutch system and provides an excellent education. The Government finances the national education system almost entirely. It consists of primary, secondary, and higher education, vocational and private schools, such as the International School of Aruba.

## One Sustainable Island

Aruba aims to become a model for a low-carbon, sustainable and prosperous economy that can inspire other island nations to follow in the same footsteps. Aruba already implemented a ban on single-use plastics and reef-destroying sunscreens to focus more on sustainable solutions and recycling. The island offers to be a testing hub for other countries' renewable solutions.



ARUBA ALREADY  
IMPLEMENTED A  
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SUNSCREENS**



# ARUBA'S SIX PROMISING SECTORS

Aruba is committed to driving growth in six Promising Sectors, including Knowledge Economy, Agriculture, Circular Economy, Creative Industries, Logistics, and Niche Tourism. These industries have been recognized by the Government of Aruba as practical investment objectives for the diversification of the island's economy.











# AGRICULTURE

Aruba's agriculture sector is primed for new technological innovations. Stable both in terms of climate and politics, Aruba is a reliable agricultural market with abundant sunshine, wind, and modern infrastructure to support green technology applications. Aruba's abundant sunshine and wind for open-air or shade-house production are matched by dedicated land available for agriculture using innovative technology – and the island's strong reputation among visitors presents an opportunity for industry crossover into agritourism.

Scan this QR code for success stories in Aruba.



297 Farm





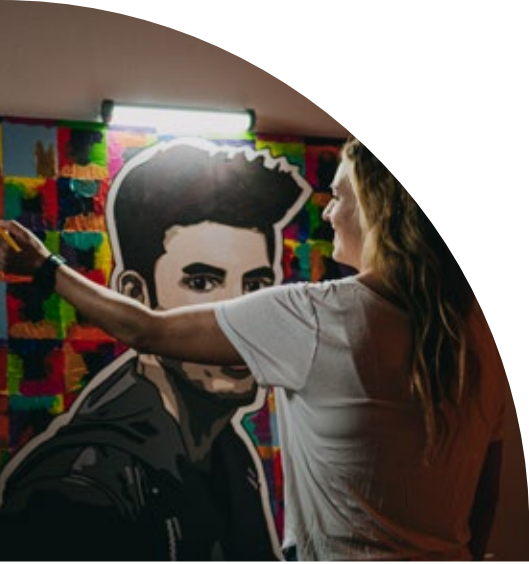


# CIRCULAR ECONOMY

Sustainability transcends all industries in Aruba, with government initiatives and policies guiding the island to a clean future based on a circular economy by 2050. Aruba aims to have decentralized sustainable circular economy solutions exported as Aruban knowledge, products, and services to other islands and small communities across the globe as a value-added macro-economic activity. To make this possible, Aruba is bringing together international experts and fostering strategic alliances.

Scan this QR code  
for success stories  
in Aruba.





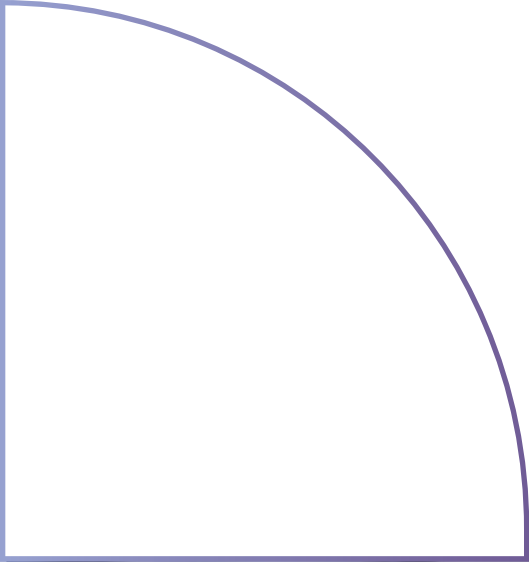


# CREATIVE INDUSTRIES

Aruba's creative industries – spanning advertising, architecture, arts, heritage & crafts, audiovisual, design, fashion, film, and gastronomy – are an integral part of the island's economy, cultural preservation, and social development. The island's cultural diversity and high quality of life come together to attract new creatives and continually inspire those here. Reliable, widespread internet access is suitable for programmers and app developers and Aruba's strong tourism industry supports growth of creative industries and cultural exchanges.

Scan this QR code for success stories in Aruba.







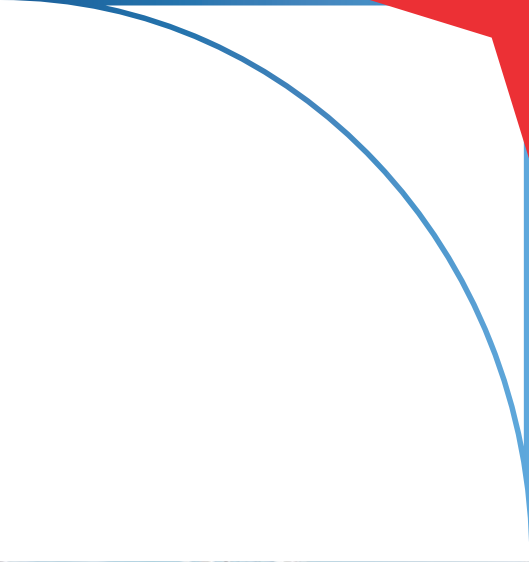
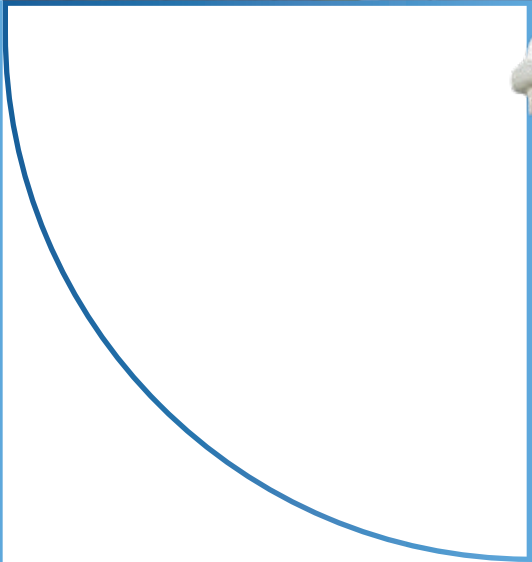
# KNOWLEDGE ECONOMY

Aruba is the test hub of the Caribbean. The island is matching its strengths in tourism with a knowledge-based economy poised to serve as a testing ground and authority on breakthrough technologies. Anchored by Aruba's skilled talent, the knowledge economy includes the development, testing, and export of sustainable island solutions to other Small Island Developing States (SIDS). Companies can partner with the Sustainable Island Solutions program at the University of Aruba (SISSTEM), which provides faculty, research centers and laboratories to develop new energies and technology.

Scan this QR code  
for success stories  
in Aruba.









# LOGISTICS

Aruba is a booming hub for the clean movement of cargo and goods. The island's prioritization of renewable energy and sustainability is matched by its people power and multimodal infrastructure to move goods by sea, air, and road. In fact, Queen Beatrix International Airport (Aruba Airport) handles all Aruban air travel, with many companies offering daily cargo flights to the Americas and United States. The modern airport is investing in a USD 250 million expansion to accommodate Aruba's projected position as the largest Caribbean market for air travel by 2030.

Scan this QR code for success stories in Aruba.









# NICHE TOURISM



Tourism is the main force of Aruba's economy, driven by the friendliness, culture, and innovation of Arubans; year-round sunshine and award-winning beaches; and the island's focus on sustainability to promote cultural exchange and wellness. One of the most revisited islands in the world, Aruba's estimated 2 million stay-over and cruise visitors annually is among the highest tourism intensity and density ratios in the Caribbean. The island is particularly well-positioned for medical tourism, travel that focuses on preventative to rehabilitative and curative treatments for addiction, obesity, cancer and mental health and wellness.

Scan this QR code for success stories in Aruba.



# TAXES AND INCENTIVES

Aruba has an attractive business climate with attractive fiscal framework. There are standard tax incentives and benefits applicable to all businesses according to their operation.

## TAX & COMPOSITION **20** ARUBA (IN PERCENT) **23**

### TAXES ON INCOME AND PROFIT

<b>52</b>	Personal income tax rate (maximum)
<b>22</b>	Corporate income tax
<b>10</b>	Investment allowance
<b>10</b>	Dividend tax

### TAXES ON INTERNATIONAL TRADE

<b>12</b>	Import duties (median)
<b>2</b>	Import duties on green products
<b>1,3</b>	Foreign Exchange Tax

### TAXES ON GOODS AND SERVICES

<b>2,5</b>	Turnover Tax (BBO)
<b>3</b>	General Health Care Contribution (BAZV)
<b>1,5</b>	Levy on add. provisions for public private partnership projects (BAVP)

### TAXES ON PROPERTY

<b>0,6</b>	Ground tax (maximum)
<b>3</b>	Transfer tax (starting)

For more information, visit the Tax Department website or send an email to [info@impuesto.aw](mailto:info@impuesto.aw).  
[www.impuesto.aw](http://www.impuesto.aw)



## Fiscal Unity (group tax relief)

Two or more Aruban entities doing business in Aruba can choose to form a fiscal unity if at least 99% of the shares are directly or indirectly owned. Consequently, the subsidiary is disregarded for corporate income tax purposes, and all assets and liabilities, including the profits or losses, are allocated to the parent company.

## Participation Exemption

If an enterprise situated in Aruba holds shares or similar rights in another Aruban entity, the dividends received and capital gains realized with the sale of these shares are exempt from corporate income tax. If an enterprise situated in Aruba holds shares or similar rights in a foreign entity, the participation exemption only applies if these shares in the foreign entity are not held as an investment and the foreign entity is subject to a tax over its profit to tax on its profits.



TWO OR MORE ARUBAN  
ENTITIES DOING BUSINESS  
IN ARUBA **CAN CHOOSE**  
**TO FORM A FISCAL UNITY**





## Transparency Regime

Dividend distributions by the transparent entity are not subject to Aruba dividend withholding tax since the profits are already (by fiction) allocated to the shareholder.

## Expat Regulation

It applies to all employees that have not lived in Aruba for the five years preceding the start of their employment in Aruba and have specific expertise that is not or only limitedly available in the Aruba labor market.

## Investment Protection Agreements

The Netherlands has investment protection agreements (IPA) with more than 95 countries in Asia, Latin America, and Africa. These are all applicable to Aruba as part of the Dutch Kingdom.

## Preferential Treatment

Aruba is one of the overseas countries and territories (OCT) of the European Union and maintains economic and cultural relations with the European Union. The European Community (EC) grants unilateral trade preferences to all products originating in the OCTs, so Aruban businesses receive preferential entry to the European market. Through the Caribbean Basin Initiative (CBI), Aruban-based companies also receive preferential access to the U.S. market, meaning duty-free access to the U.S. market for most of your goods.

For more information, visit the Customs Department website [www.douane.aw/en/](http://www.douane.aw/en/) or send an email to [info@douane.aw](mailto:info@douane.aw).



**ARUBAN BUSINESSES**  
RECEIVE PREFERENTIAL ENTRY  
TO THE EUROPEAN MARKET

## Trade Facilitation

Aruba has adopted the UNCTAD Automated System for Customs Data (ASYCUDA) and the Registered Exporter system (the REX system) to facilitate trade. These systems facilitate trade efficiency and competitiveness by substantially reducing transaction time and costs for investors like you.

## Free Trade

A Free Trade Arrangement between Aruba and Curaçao allows products from either territory free market access.





## Free Zone Aruba

There are many benefits for companies to establish in the Free Zone of Aruba. For example, all profits generated with activities abroad are subject to only 2% corporate income tax (instead of 25%).

A Free Zone company is allowed to produce a maximum of 25% of its turnover with activities for residents of Aruba. For certain activities, the ratio of foreign-local sales on 50/50. These activities are sustainable energy, sustainable food supply, medical tourism, sustainable transportation, and airlines. In these cases, the profit derived from the local sales will also be subject to the specific free zone rate of 2%.

No import duties are due if the products are imported, used in the activities in Aruba, and exported abroad. The Free Zone company has no turnover tax with the supply of goods or the rendering of services abroad.

For more information, visit the Free Zone Aruba website [www.freezonearuba.com](http://www.freezonearuba.com) or send an email to [infomail@fzanv.com](mailto:infomail@fzanv.com).

All profits generated with activities abroad are subject to

**ONLY 2%**

corporate income tax



### **NO IMPORT DUTIES**

are due if the products are imported, used in the activities on Aruba, and exported abroad.



# REGULATORY FRAMEWORK

## Business Establishment Policy

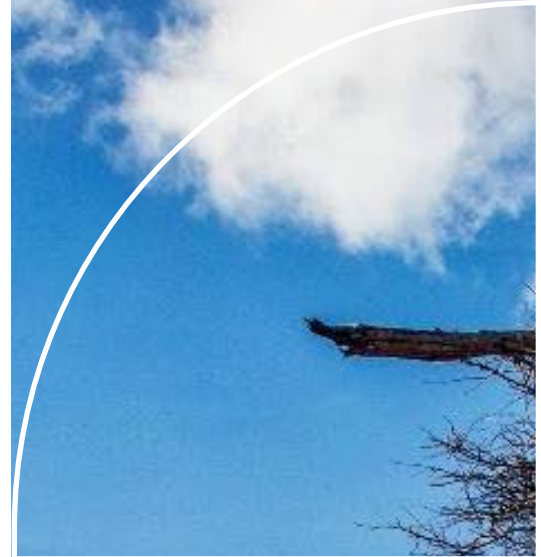
The ease of doing business has been improved through minimizing the required amount of documentation, as well as expediting and broadening the criteria of the licensing process. Furthermore, on behalf of the applicant, the **DEACI** can request certain documentation from different government institutions, thereby alleviating the applicant of such work.

## Spatial Development Plan

The **Spatial Development Plan (ROPv)** is a resourceful tool that provides guidelines and process requirements for sustainable spatial development. It distinguishes between and designates locations that can be used for residential, nature, and commercial purposes, and defines the permitted functions within each of those designations.

## Aruba Fair Trade Authority

Investors can count on the Aruban Fair Trade Authority (AFTA) to monitor and enforce fair market competition. This not only safeguards consumers against unfair practices, but also levels the playing field and lowers entry barriers to opportunities for business, improves the investment climate, and encourages innovation. A win-win situation for both.









# CONNECT WITH US

The Aruba Investment Agency (ARINA) assists new and existing foreign and local companies invest in Aruba.

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**Bryan Lenzinger**  
Investor Relations Advisor



**Zuleika Quant**  
Marketing & Promotion Advisor



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