

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

ARUBA

America Caribbean

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Oranjestad (capital)	Seat of government, financial and retail hub, cruise-port gateway; anchors downtown redevelopment and duty-free commercial district	Financial services, retail, cruise-tourism infrastructure, commercial real estate
Palm Beach / Eagle Beach resort corridor	Aruba's primary high-end hotel and resort strip, the main engine of the 2023-2024 tourism-led growth surge (GDP +8.9% in 2023, +7.6% in 2024)	Hotel development, high-value tourism, hospitality services, F&B
Reina Beatrix International Airport corridor	Primary air gateway handling the bulk of US and regional stopover tourism; connectivity expansion remains central to the diversification agenda	Aviation services, logistics, tourism-support infrastructure
San Nicolas (former refinery town, southeast)	Target of long-running economic-diversification and urban-renewal plans away from the shuttered Valero refinery; potential renewable-energy and light-industry node	Renewable energy, light industry, arts/cultural-district redevelopment
Barcadera / port and industrial zone	Aruba's main commercial deep-water port and adjacent industrial area, relevant to any future reopening of maritime trade with Venezuela	Port logistics, warehousing, trade-facilitation services
ABC-islands maritime corridor (Aruba-Venezuela proximity zone)	Sits roughly 25-30 km from Venezuela and close to an expanded US military posture amid Washington-Caracas tensions; security experts warn a single maritime incident could rapidly damage regional cruise-tourism confidence	Maritime security services, crisis-communications/insurance advisory - carries acute, headline-sensitive geopolitical exposure despite no direct-threat assessment to date
Interior / renewable-energy sites (wind and solar)	Identified by the IMF and government for renewable-energy and 'high-value, low-impact' tourism diversification investment	Renewable energy generation, sustainability-linked tourism infrastructure

INVESTOR ENTRY ROUTES

- ARUBA INVESTMENT AGENCY (ARUBAINVEST / DEACI'S INVESTMENT PORTAL): The principal one-stop shop for registering foreign direct investment and navigating incentives
- Tax incentive regimes under the Aruba Exempt Company (AVV) and free-zone company structures for export-oriented and holding activities
- Direct incorporation under Aruban company law (NV/VBA structures) for tourism, retail and services ventures
- Central Bank of Aruba (CBA) licensing pathways for financial-sector entrants, within the Kingdom of the Netherlands' regulatory framework
- KINGDOM-OF-THE-NETHERLANDS CONSTITUTIONAL STATUS: Aruba is a autonomous country within the Kingdom, giving investors Dutch/EU-adjacent legal and institutional grounding without full EU membership
- Public-private partnership channels tied to the government's multi-year infrastructure and diversification investment agenda (ports, renewable energy, San Nicolas redevelopment)

MARKET-ENTRY OBSERVATION

Aruba enters this guide as a small, high-income, currency-pegged (Aruban florin pegged to the US dollar) Caribbean economy that has just come off one of the strongest tourism-led growth runs in the region - 8.9% real GDP growth in 2023 and 7.6% in 2024 - with debt falling from recent peaks toward a 50%-of-GDP target by 2030 and inflation back near 2%. The IMF's December 2025 Article IV conclusion frames Aruba's main challenge as success management: tourism demand is now straining infrastructure, labor markets and housing, and the external position is 'substantially stronger than implied by fundamentals,' prompting IMF advice to diversify into renewable energy and higher-value, lower-impact tourism rather than simply add hotel rooms. Politically, Aruba is mid-transition: long-serving Prime Minister Mike Eman (AVP), in office across three separate periods over nearly three decades, announced in June 2026 that he will step down as party leader in September 2026 and leave the premiership on January 1, 2027 - a orderly, self-initiated succession rather than a crisis, but one that leaves the next eighteen months' governing coalition and policy continuity still to be determined.

The genuinely new factor for this guide is geopolitical proximity risk. Aruba sits some 25-30 km from Venezuela, and the sharp escalation in US military posture against the Maduro government through late 2025 and into 2026 - additional naval and air assets operating in waters close to the ABC islands - has made Aruba, Bonaire and Curaçao a live topic in the Dutch parliament. The Kingdom's own assessment, reaffirmed by the outgoing State Secretary for Kingdom Relations in October 2025, is that the tensions pose no direct threat to the islands, and the Netherlands has stated that Forward Operating Location facilities on the islands are not being used in US operations against Venezuela. But regional-security experts have separately warned that even a single maritime or cruise-ship incident could rapidly erode confidence in a tourism-dependent economy, and some local legislators report real public anxiety. Aruba's own government, meanwhile, has periodically explored reopening maritime trade with Venezuela (closed since 2019) as a cost-of-living measure - illustrating that the island's economic interest and the wider US-Venezuela confrontation pull in different directions.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
US-Venezuela military tensions and ABC-islands proximity	Aruba sits closest of the ABC islands to an active, escalating US military posture against Venezuela; official Dutch/Aruban assessments see no direct threat, but experts warn a single maritime incident could severely damage tourism-dependent revenue and confidence	Monitor Dutch Ministry of Defence and Kingdom Relations statements; build contingency messaging and insurance review into any large tourism-asset investment; avoid overexposure to single-incident-sensitive cruise infrastructure
Premiership transition (Eman succession)	Prime Minister Mike Eman, in office across three periods and AVP leader for 28 years, departs the premiership on January 1, 2027, with no named successor as of mid-2026 and succession details still pending	Track the AVP's succession process through late 2026; sequence major new approvals to avoid being caught in a leadership handover with unclear policy continuity
Overheating tourism infrastructure, labor and housing markets	The IMF explicitly finds strong tourism demand is straining infrastructure, labor supply and housing affordability, with the external position stronger than fundamentals justify	Favor diversification-aligned investments (renewable energy, higher-value/lower-impact tourism) over additional conventional hotel-room capacity; budget for rising labor and real-estate costs
Fiscal rule compliance and upcoming debt repayments	The 2026 budget is only marginally compliant with Aruba's fiscal rule and assessed as 'slightly expansionary'; large debt repayments are approaching and require careful liability management	Watch for the finalized fiscal law (escape clauses, correction mechanism, contingency reserve) and government bond issuance calendar before structuring long-dated financing
Small market scale and import dependence	A population under 110,000 and heavy reliance on imported goods and labor limit domestic market depth and expose the economy to external price and supply-chain shocks	Size investments for a regional (Dutch Caribbean/wider Caribbean) rather than purely domestic market; plan for imported-input cost volatility
San Nicolas and refinery-legacy diversification risk	Decades of on-again, off-again plans to revive the San Nicolas refinery area and diversify its economy away from the shuttered Valero refinery have a mixed delivery record	Treat San Nicolas-linked diversification projects with the same milestone-based scrutiny applied to other long-promised but underdelivered Caribbean mega-projects
Venezuela trade/border normalization uncertainty	Aruba's maritime border with Venezuela has been closed since 2019 and periodic reopening proposals have stalled amid the broader US-Venezuela confrontation, leaving import-cost-relief plans (cheaper produce, groceries, construction materials) unresolved	Do not underwrite cost projections on an assumed near-term reopening of Venezuelan trade; treat any reopening as upside optionality rather than a base case

INVESTOR RISK NOTE

Aruba's investment case is fundamentally sound - strong recent growth, a falling debt trajectory, a stable US-dollar-pegged currency, and Kingdom-of-the-Netherlands institutional backing - but two risk vectors are distinct and non-overlapping. The first is slow-moving and manageable: an orderly, self-announced premiership succession (Eman stepping down January 2027) and an IMF-flagged need to rebalance from breakneck tourism growth toward sustainable diversification and fiscal discipline. The second is fast-moving and harder to price: Aruba's direct proximity to an escalating US military campaign against Venezuela. Official Dutch and Aruban assessments consistently find no direct threat to the islands, and this guide takes that official assessment at face value rather than second-guessing it - but independent security analysts have specifically flagged tourism-confidence contagion risk from even a single maritime incident, given how acutely cruise and stopover tourism react to perceived insecurity. Investors with meaningful exposure to Aruban tourism or maritime-adjacent assets should treat regional escalation as a monitorable tail risk, not a base-case driver, while recognizing it is the one genuinely new and externally-driven variable in Aruba's otherwise solid fundamentals.

MARKET ACCESS

As an autonomous country within the Kingdom of the Netherlands, Aruba offers investors a Dutch-rooted legal and institutional framework, a US-dollar-pegged florin for currency stability, and Central Bank of Aruba oversight of the financial sector - all without full EU regulatory integration, since Aruba holds Overseas Countries and Territories (OCT) association status with the EU rather than full membership. This gives Aruba a degree of economic policy autonomy (its own tax and investment-incentive regimes) alongside Kingdom-level defense, foreign-affairs and some judicial backstops. Regional access runs through CARICOM-adjacent Caribbean trade relationships and historical links with Venezuela and Colombia, though the Venezuela channel has been curtailed since the 2019 border closure.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Directorate of Economic Affairs, Commerce and Industry (DEACI) / ArubaInvest	Lead government body for investment promotion, business licensing and the official Investment Portal through which foreign investors register	Primary first point of contact for any new foreign direct investment or incentive application
Central Bank of Aruba (CBA)	Monetary authority maintaining the florin's US-dollar peg and supervising the financial sector; a key source of economic and reserve-requirement policy signals flagged by the IMF	Essential counterpart for financial-sector licensing and for monitoring real-estate lending and macroprudential policy shifts
Office of the Prime Minister / Council of Ministers	Currently led by Mike Eman (AVP) through end-2026, with succession details pending; sets the overarching diversification and fiscal-reform agenda the IMF has endorsed	Monitor for the AVP succession announcement and any resulting shifts in investment-policy priorities into 2027
Ministry of Kingdom Relations (The Hague) / Dutch Ministry of Defence	Kingdom-level bodies responsible for defense and security assessments covering Aruba, Bonaire and Curaçao amid US-Venezuela tensions	Authoritative source for the official security posture investors should reference regarding regional geopolitical risk
IMF (Article IV consultation team)	Provides the principal external fiscal and macroeconomic surveillance of Aruba within the Kingdom of the Netherlands' IMF membership umbrella	Reference point for assessing fiscal-rule compliance, debt trajectory and diversification policy credibility
Aruba Tourism Authority (ATA)	Lead tourism-marketing and sector-coordination body, engaging directly with the IMF on growth, labor-market and sustainability challenges	Key partner for hospitality, high-value tourism and labor-market-related investment planning
Aruba Chamber of Commerce and Industry (Kvk Aruba)	Statutory business registry and private-sector advocacy body	Required registration step for most commercial entities and a useful networking channel for local partnerships

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal market entry typically runs through DEACI/ArubaInvest for incentive-linked projects, the Central Bank of Aruba for financial licensing, and the Chamber of Commerce for company registration. Aruba's small scale affords relatively direct access to ministers and senior officials by regional standards, though the pending premiership succession means new relationships may need to be rebuilt with an incoming administration after January 2027. The Aruba Tourism Authority is the key channel for hospitality- and tourism-linked investment, while the Dutch Ministry of Kingdom Relations remains the authoritative channel for any question touching regional security or the US-Venezuela situation.

INVESTOR PROFILE BEST SUITED

The best-positioned investors for Aruba are those targeting diversification-aligned sectors the government and IMF are actively steering toward - renewable energy, higher-value/lower-impact tourism, and infrastructure resilience - rather than simply adding conventional hotel capacity to an already-strained market. Investors comfortable with US-dollar-pegged currency stability, Kingdom-of-the-Netherlands institutional backing, and a small-market scale are well suited, provided they can tolerate two distinct forms of near-term uncertainty: an orderly but still-undefined premiership succession, and external monitoring of the US-Venezuela security situation as a tail risk to tourism confidence rather than a base-case constraint.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Engage DEACI/ArubaInvest and map the incentive route

Approach the Investment Portal early to determine applicable incentive regimes (AVV exempt-company status, free-zone structures) and realistic licensing timelines for the target sector.

STEP 2: Align with the diversification agenda

Favor renewable-energy, higher-value/low-impact tourism, or infrastructure-resilience projects explicitly endorsed by the IMF and government over additional conventional hotel-room capacity in an already-strained market.

STEP 3: Track the AVP succession timeline

Monitor the Aruban People's Party's succession process through its September 2026 leadership change and the Prime Minister's January 1, 2027 departure before committing to large, politically-sensitive approvals.

STEP 4: Build in geopolitical monitoring, not avoidance

Reference official Dutch Kingdom security assessments on US-Venezuela tensions rather than independent speculation; include contingency communications and insurance review for tourism- or maritime-adjacent assets as a precaution, not a deterrent.

STEP 5: Plan financing around the fiscal-rule and debt calendar

Time long-dated financing and partnership structures with reference to Aruba's finalized fiscal law and upcoming sovereign debt repayment schedule.

WAVERLEY'S ROLE

- Independent monitoring and plain-language briefing on the US-Venezuela security situation as it affects Aruba and the wider ABC islands
- Structuring advice aligned with the IMF-endorsed diversification agenda (renewable energy, high-value tourism)
- Introductions to vetted hospitality, renewable-energy and port-logistics counterparties through DEACI and the Aruba Tourism Authority
- Succession-timeline tracking for the AVP leadership transition and its implications for investment-policy continuity into 2027

INVESTOR CALL TO ACTION

Waverley Gateway advises investors to treat Aruba as a fundamentally strong, dollar-pegged Caribbean economy best entered through diversification-aligned tourism, renewable-energy and infrastructure projects - while building routine geopolitical monitoring, not avoidance, into any tourism- or maritime-adjacent investment given Aruba's proximity to the US-Venezuela confrontation.

Strong fundamentals + tourism overheating → diversification agenda + geopolitical monitoring → Waverley-vetted counterparties → resilient Dutch Caribbean market entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities include renewable-energy generation and higher-value/lower-impact tourism assets explicitly favored by IMF and government policy, San Nicolas urban-renewal and light-industry redevelopment, and port/logistics upgrades at Barcadera.

Medium-term opportunities depend on the AVP succession settling into a clear post-2027 policy agenda, and on the trajectory of US-Venezuela tensions, which could open (via border normalization) or further complicate Aruba's traditional trade and tourism links with Venezuela.

POSITIONING

Aruba should be positioned in this guide as a 'mature, high-performing market facing a success problem, not a failure problem': strong tourism-led growth, falling debt, dollar-peg currency stability and Kingdom-of-the-Netherlands institutional backing, now needing deliberate diversification rather than crisis management. For Waverley's clients, the opportunity lies in getting ahead of the government's own stated diversification priorities - renewable energy and higher-value tourism - rather than adding to an already-strained conventional hospitality base.

The one genuinely external variable is Aruba's proximity to the US-Venezuela confrontation. Waverley's value here is proportionate framing: official Dutch and Aruban assessments find no direct threat, and this guide treats that assessment as the operative baseline,

while flagging the specific, narrower risk - a single maritime or cruise incident denting tourism confidence - that independent security analysts have identified as worth monitoring rather than ignoring.

SELECTED SOURCES

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