



Abo dicide awe,  
Nos Aruba di mañan

**Action Plan  
2010-2013**

# Nos Aruba 2025

## National Integrated Strategic Plan

*“Shaping the Sustainable future of Aruba is not only the responsibility of government, but the responsibility of each individual living in Aruba”.*

*“We Move from fragmentation to Integration”*



**February 2010**

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## Foreword

Special thanks go to the many men and women who gave their time and passion to be part of this process. During the different events that took place in the course of the process of *Nos Aruba 2025*, citizens of different nationalities, backgrounds, age as well as the representatives of the broad stakeholders participated actively to give their input in the creation of a national vision for Aruba for the year 2025. The participation in the twelve commissions has been also multisectoral and multidisciplinary and the commissions have been formed by passionate citizens that have given their expertise in different topics. This report offers only a very small part of all the work done by the twelve commissions. It represents a synopsis of the commission reports and should be read as an executive summary of the whole.

*“The best way to predict the future is to create it.”*  
-Peter Drucker, Management author

The Aruban community is becoming increasingly aware of the need for a balance between education, public health care, economic development, the environment and its general well-being. *Nos Aruba 2025* presents the opportunity for each individual in Aruba to voice their ideas about how Aruba should continue to be developed in a sustainable manner, resulting in a common vision for sustainable development in Aruba. The vision encompasses the changes we want to see within our communities over a selected time frame: Aruba from the present to 2025. The vision is then transformed into a manageable and feasible plan that the community implements.

The strategies and objectives of the National Integrated Strategic Plan 2010-2025 are based on twelve development priorities which have been defined taking into account the definition of sustainable development and based on the vision of the Aruban community. Those twelve priorities form the conceptual framework that has been used throughout the whole process, which is the balance between social, economic, environmental and political sectors. Within these sectors there are two areas, education and governance, that are cross cutting and are basically preconditions for Sustainable Development and the successful achievement of the aspirations stated in this National Integrated Strategic Plan. Even though the sectors are described separately in this plan, they are intrinsically interconnected and balanced with each other through process of participation in which each commission had to take the Social, Economic, Environmental and Political aspects into consideration when preparing each development priority.

The twelve development priorities are:

- Lifelong learning and personal development
- Development of a sustainable Aruban culture through a holistic synthesis of all cultural aspects
- Building the community from the inside-out
- Stimulate and promote a healthy living
- Sustained socio-economic development by means of diversification
- Developing a nation of innovation = smart people + smart ideas
- Sustainable tourism development
- Enabling the international financial sector
- Protecting the fragile environment
- Energy management for a sustainable development

- Promoting sustainable food supplies
- Putting good governance principles in practice

However, there are still some issues that need special attention and have a profound influence on the opportunities for sustainable development, but have not been addressed in depth by the commissions. The *constitutional structure of the Kingdom of the Netherlands* on the one hand and our relations with the Netherlands, the other five Caribbean islands in the Kingdom of the Netherlands and the European Union on the other hand still have to be discussed on a national level. To make the right decision it is nevertheless imperative that the community is well informed and is given the opportunity for careful consideration of this strategic decision through a national referendum.

A second issue that is of great importance is the *demographics*. The challenges in the labor market, the aging of the population and the healthcare issues have enormous consequences for the population growth and well being in Aruba. In this respect it is necessary to address issues such as migration, the natural population growth, the consequences that these may bring to the total population growth and the policy for a sustainable demographic development. Part of this policy should be to consider and stimulate the integration of immigrant labors as the New Aruban. In the last decades Aruba has seen an enormous influx of immigrant labor. These citizens are important and have contributed to the development of the island's economy. Integration has been one of Aruba's strengths for centuries.

A third important issue is the limited natural resources we have in Aruba, starting with the availability of land as a strategic resource. Aruba is a small island of 180 square kilometers which makes the necessity to plan our economic development with an efficient use of land even more important. In this regard the spatial planning (ROP: *Ruimtelijke Ordeningsplan*) has been approved in 2009 of which the mission is "To realize an integral sustainable and balanced (re)development of Aruba". The ROP has designed the use of land based on pre-established priorities for a period of 10 years. Still the specific regulation (ROPv) needs to be finalized and approved. In this respect it is necessary to take the recommendation of the NISP into consideration.

A fourth issue not directly attended by any commission but that also plays a major role is the renovation of the infrastructure in general and in particular the inner city restoration (stadsvernieuwing) which is so much needed. For example the renovation of the historical buildings that represents our cultural heritage and the upgrading of the main street through the maintenance of Government buildings and the construction of roads.

#### *Activities that are prerequisites for the success of the NISP*

*Education* is seen by all the twelve commissions as the prerequisite for success. Even though there is the National Education Plan, there are still some important questions open that are critical for the achievement of the results proposed in this document. Some of the major questions are "how to increase the level of education of the local population", "which should be the instruction language" in our school system etc.

A second issue that is of utmost importance is the *mentality change* that has to evolve to bring Aruba to the aspired level of sustainability. The most important change is among others the attitude switch of the government employee to cooperation and dialogue. This plan will only be implemented if and when all efforts are aligned and when the social

partners are held accountable for their actions. Therefore it is indispensable that private sector and government agree on the vision presented in the NISP and the necessary actions to achieve this vision. The implementation will only succeed if all partners take their accountability in the process. The government has in addition a catalyst role in this process.

The government and specifically, the public servants are extremely important actors to catalyze change in the society and fulfill an exemplary function. There is a huge need to align the attitudes of the people to the importance of having a vision as a community and to work together to make this vision a reality. Public servants can do pioneering work to bring about the alignment and cooperation in the community. Public servants will thus have to change and understand their role in this process. Many activities will have to be guided and/or executed by government institutions and/or departments. This means that the NISP will have to be translated into specific policies and actions to be implemented by individual departments and individual public servants.

The *institutionalization of the strategic planning process* is also a prerequisite for success. First of all a NISP LAW has to be prepared and approved. This means that the strategic planning process will be executed every 4 years and the monitoring and evaluation needs to take place on a continuous basis.

A continuous *dialogue between the public sector, private sector and civil society* has been identified as a *conditio sine qua non* for the successful achievement of the vision 2025. This document recommends the establishment of a tripartite platform for sustainable development, which will have the responsibility to foster the national dialogue.

Promotion of the NISP vision in community, private sector and government departments will need to be encouraged by all stakeholders. In this respect once a year *the week for sustainable development* will be promoted as a means to stimulate the continuous awareness and commitment.

The results shared in this document are a result of the recompilation of aspirations and ideas of a wide range of people that participated passionately in the different events of *Nos Aruba 2025* since April 2008 until November 2009. For more information and specific reports on the events please visit the website [www.nosaruba2025.aw](http://www.nosaruba2025.aw).

Furthermore the organization of this process is divided between different bodies that together form *Nos Aruba 2025*.

- The Project Advisory Committee (PAC) which is accountable for the alignment & integration of the NISP; and the coordination on common areas of additional participation.
- The Project Management Team (PMT) which is responsible for the day-to-day coordination of the project.
- The Commissions who are responsible to develop a clear strategy, road map and action plan that partly or fully supports the realization of the goals for *Nos Aruba 2025*, including the active participation of all relevant stakeholders.

### *Structure of the report*

In Part I we present an abstract of the process explaining why the Nos Aruba 2025 process was needed and the methodology used during the participative process. Also a recommendation for the institutionalization of the Strategic Planning process is presented. In Part II an assessment of the present situation is given in which the strengths and current challenges for sustainability are elaborated on. In this part the social architecture needed for a successful implementation of the actions is presented. In Part III the strategies for sustainable development for each of the 12 development priorities is presented with the aspiration, the desired outcomes and the specific actions for the period 2010-2013.

For more details on each development priority, the reader should consult the individual commission reports that form an integral part of this document. ([www.nosaruba2025.aw](http://www.nosaruba2025.aw))

## Executive Summary

Shaping the future of Aruba is not the responsibility of the government, but the responsibility of each individual living in Aruba. This is the conclusion of the Nos Aruba 2025 process. Together the people of Aruba have created a vision for 2025 and the actions to be implemented to achieve this vision are recommended in this report. This was achieved through the participative process of Nos Aruba 2025 in which members of the different political parties on the island, Parliament members, government representatives and public servants, stakeholders in the private sector, civil society and the community in general was consulted throughout a period of almost 2 years, starting in March 2008 and finalizing in November 2009. Twelve development priorities were identified and twelve commissions produced twelve reports based on the input received through the Nos Aruba 2025 process. The NISP represents the compilation and alignment of the strategies for sustainable development presented in those 12 reports in an integrated national plan.

Many people and stakeholders in our community have been approached and consulted to participate, in this long and enduring journey to create a VISION for 2025. And many individuals, young and old, institutions and companies, in many ways, and over different time spans have contributed in this VISION for 2025. A vision that has results beyond 2025 and that is needed for our future generations.

*A vision that is based on sustainable development; **A sustainable Aruba that is developing for the benefit of all people and stakeholders of Aruba and that has a future for our children and our grandchildren which will make them proud to be Arubans.***

In 2025 Aruba will be **“A multicultural community that lives in harmony, with a high quality of life, working together with genuine desires to create a developed Aruba in a sustainable way for future generations”**

*Our vision is achievable, with an educated, innovative and productive population that loves and participates in its community. A healthy community aware and caring of its own community and environment, based on transparency, partnership and honesty for a prosperous Aruba towards 2025 and beyond.*

To realize the vision it is necessary to integrate policies and strategies. Each development strategy has been analyzed by multidisciplinary commissions integrating the four sustainability criteria and clustering those priorities in social, economic, environmental and political strategies. Each strategy takes into considerations the social, economic, environment and political aspects when designing the actions needed. This way the integration takes place creating a holistic unity.

The first step to start now is the approval by the Parliament and Government and the endorsement by the private sector and civil society of the National Integrated Strategic Plan 2025 (NISP 2025). The second step is the institutionalization of the Strategic Planning process in Aruba through the establishment of a Strategic Planning Law and the institutionalization of the tripartite Platform for Sustainable Development “Plataforma Desaroyo Sostenibel”. The third step will be the publication, promotion and dissemination of the NISP in order to stimulate the execution of its strategies and actions.

Throughout the process five prerequisites have been identified; a) the increase of the level of education b) putting good governance principles into practice c) the need for a mentality change in which case the government and public servants have an exemplary function d) the institutionalization of the Strategic Planning Process and e) the need to maintain a continuous dialogue between the government, the private sector and the civil society. These are necessary to achieve the goals designed in the development priorities. However there are still some important issues that have not been addressed or have barely been mentioned by the commissions but are important in the process to achieve sustainable development. These are the constitutional structure of the Kingdom of the Netherlands and its implications for Aruba, the challenges in demographics and how this will affect the labor market, migration policies, social security etc., the use of the limited natural resources such as land, the repercussions of the ROP (Ruimtelijke Ordeningsplan) of the proposed strategies of the NISP and the inner city regeneration (stadsvernieuwing) which is so much needed.

Of course an important question now is; how will all this be paid for and how much will it cost? Some activities can be executed within the existent budget because they are part of the tasks of an organization or government department. Others are completely new and will need further analysis as to determine their cost. The private sector and civil society will also contribute with their part of the execution of the activities and those activities which fall under the responsibility of the Government will be financed partly with the Government budget, funds from the European Development Fund (EDF) or other funds from the European Commission and funds from the Fondo Desaroyo Aruba (FDA) through the new four year program (meerjarenprogramma 2010-2013).

The following pages give a summary of the report with the highlights of the twelve development priorities. For more detailed information we recommend to read the complete report and also the individual commission reports.

## 1. A MULIFACETED EMPOWERMENT OF THE ARUBAN POPULATION

In recent years Aruba has been experiencing an imbalance between economic growth and the social development which has lagged behind. The Aruban society is under powerful stress from overpopulation and work force immigration. These developments have contributed to a sense of a rising crime rate, less social tolerance towards each other and family structures rapidly falling apart. Our culture is also at risk and is victim, as is the rest of the world, to aggressive cultural globalization. Furthermore, the economic development has stimulated a sedentary lifestyle on Aruba which has resulted in a yearly increase of overweight cases and obesity in Aruba in all age categories due to bad nutrition habits and lack of movement and physical activities.

In order to reverse this development, the community needs to become more aware of its culture, its heritage and its norms and values. The community will also have to strive for a healthy way of living by incorporating physical activity and sports in the daily routine. This process starts within the family and the community. In this light, it is important to support and empower the Aruban society as a whole. We cannot solve the complex problems facing our communities without the active involvement of all parts of them. Lifelong learning is an important tool in this to develop the human potential through a continuously supportive process which stimulates and empowers individuals to acquire all the knowledge, values, skills and understanding necessary.

## Lifelong learning and personal development

Lifelong learning is recognized today as an indispensable tool to enable the individual to face modern-day's multiple and emerging challenges on different levels like personal, work, as citizen contributing and being part of a community, economy, environment and the world. The interplay between life and learning emerges from the fact that learning is a crucial tool in life, or to rephrase it more precisely, learning is life-enhancing, and it reflects upon and enables the expression of people's full human potential. Therefore lifelong learning is accomplished not only through the formal structures of education but also through the informal and non-formal structures. In terms of formal education, making education accessible to everyone and stimulating learning and personal development for all age groups is a proven strategy for achieving a more equitable distribution of national wealth and social equity.

In this respect it is necessary that Government in consultation with the private sector pursue that;

1. Aruba becomes a learning community in which all Aruban citizens, either on individual, group, organizational or community level, are learning throughout life.
2. The community as a whole provides our *Youth* (0-18 years) with the opportunities to develop and achieve.
3. Aruba has an Educational system for Sustainable Development in place
4. In 2025 the social partners of Aruba offer a broad scope of opportunities and facilities of high quality for all ages and target groups to develop on a professional and personal level.
5. Aruba has a *Sustainable Media Development*. This means that the media professionals in Aruba fulfill an objective role to help create well informed and critical society members.

Conditions that the government will need to provide for are:

- Introduce compulsory education from ages 4 to 16.
- Implement a National Strategic Education Plan and continuously monitor its execution, evaluate and make the necessary changes when needed.
- Create a fund that will finance the renovation and maintenance of school buildings
- Improve the quality of education and educators
- Create education possibilities for adults
- Create a school environment that stimulates and motivates the student, the teachers and the parents
- Create mechanisms to minimize the brain drain and attract high skilled personnel
- Build the infrastructure for Adult Education
- Create a fund for continuous innovation in education
- A minimum of 6 % of the total GDP needs to be invested in education in the broadest sense of the word (including formal, informal and non-formal education).
- The goal will be to reach 20% of the population with a tertiary level of education ISCED 5A.

## Development of a sustainable Aruban culture through a holistic synthesis of all cultural aspects

Government and the private sector must aim to integrate all social, economic, environmental, and governmental aspects of its community in order to achieve a

harmonious, dynamic and sustainable national culture. They must aim to an Aruban community that is conscious of culture and that is aware that culture is an expression of all intellectual, spiritual, emotional and material aspects of society like lifestyle, norms and values, language, traditions, social interaction, arts and esthetics, beliefs, human rights, education, governance, cuisine, economy and migration, knowledge, fashion and many more.

Therefore all cultural aspects will be taken into consideration when making policies for education, environment, and economy and when implementing good governance principles.

#### Building the community from the inside-out

There is a strong sense of urgency to restore the balance between economic development in Aruba and a general well-being of the whole Aruban community. By restoring the above-mentioned imbalance one can more effectively target material deficiency and social exclusion and one can improve the standard of living and wellbeing of all individuals. This can be restored only by building the community from the inside-out; in other words by empowering the Aruban community. We also have to start looking at the Gross National Happiness (GNH) rather than the Gross Domestic Product (GDP) as the main indicator of well-being.

There are three important factors that need attention:

- 1. There should be social progress for every member of the community through empowerment and civic participation.*
- 2. The culture(s), norms and values in Aruba should be taken into account in daily life.*
- 3. Everyone should be aware that they are accountable for sustainable development in Aruba.*

#### Stimulate and promote a healthy living

A healthy community will be obtained by means of practicing physical activities and sports, following the national nutrition and physical activity guidelines, preventive care and investing in creating top athletes and sport professionals and adequate facilities.

The goal is to create an Aruban community that applies physical activity and sport as an important tool to achieve a healthy way of living and to decrease the amount of youth problems. This will be done through research, creating the resources and prerequisites for a healthy lifestyle, educating the community and stimulate and promote a healthy living. All these actions will be done by the government, sport umbrella organizations and sport federations, relevant government departments and the stakeholders in the medical and preventive care and children and youth NGO's.

## 2. CONSOLIDATING THE DEVELOPMENT OF THE ARUBAN ECONOMY

By hard work, determination and the capability of joining efforts in trying times, the Aruban people has been able to turn Aruba into one of the most successful islands in the Caribbean region. One of the most significant achievements is the Aruban-type affluent society with a high level of education, social and health-care services available to everybody, little or no unemployment and the high standard of living for a large group of Arubans. The elements of Aruba's positive core, which include the well-developed tourism industry, international orientation, social security system, political stability, safe and secure environment, hospitable multi-cultural population and values together form the social heritage have all supported our success.

Based on a critical review of different strategies for economic growth, with the present situation as a starting point, a growth strategy in which diversification of the economy is the main objective has been chosen. In 2025 Aruba will be the place where innovative people will share innovative ideas in an innovation-friendly environment. Aruba will be an internationally known center for innovative businesses, a florescent International Financial Center and a diversified product for sustainable tourism. The island has all resources necessary to continue improving and to diversify the economy. An increase in the quality of life is part of a sustainable economic diversification.

### Sustained socio-economic development by means of diversification

In the proposed diversified strategic growth, the focus is on promoting capital-intensive and technology-driven endeavors. The latter would demand increased efficiency in the labor force and highly skilled workers in such sectors as services, transshipment and/or assembly of high-value, time sensitive goods. This should be done within the context of the tourist industry where the quality of the environment and the attractiveness of the venue will attract both tourists and visitors to combine business and relaxation when visiting Aruba. In this scenario population would grow to 140,000 by 2025 and population density would be 750 persons per square kilometer.

The policies recommended are;

1. To curb hotel room capacity as to focus tourism on quality, not *quantity*: Aruba's tourism sector is characterized by quality, not quantity. Promote the exclusive character of Aruba as a high-end destination and stimulate boutique hotels. Have tourism being Aruba's largest economic sector although it contributes only 40% of GDP down from 60% in 2008.
2. Increase labor productivity in private and public sectors: Aruba's labor force both in the private and public sector will become more productive as a consequence of:
  - a. Better training & knowledge
  - b. Enhanced health leading to less absence
3. Balanced supply and demand on the labor market: diversification of the economy that leads to less demand for low-skilled jobs and increase job opportunities for high skilled labor stimulating locals to return to Aruba and to be part of our labor force.
4. Attention to international relations on trade in order to make the utmost use of economic and trade treaties for the benefit of the economy of Aruba and to secure our competitiveness in the world economy
5. Diversified strategic growth should deliver adequate spending power and equitable wealth distribution for Aruba's population. Moreover there should be overall social well being for the majority of citizens regardless of nationality, age, gender or economic status.
6. Conscious usage of land as Aruba's most precious natural resource (i.e. conscious allocation of land for individual and commercial use, continued availability of land for the population). Orderly developed public infrastructure (i.e. road hierarchy, urban concentration, concentration of commercial activity, recreational zones, etc.) Conservation of Aruba's environmental resources.
7. Sound public finance in terms of spending composition (i.e. relatively more spending on supporting economic development through investments, relatively less on government operations). A Manageable public finance service levels. Aruba's financial system, system stability and monetary policy are supporting economic

development. Implemented National Commission on Public Finance (NCPF) report 2007. Fiscal responsibility and compliance will be improved.

### Developing a nation of innovation = smart people + smart ideas

To 'boost' the power of economic development and growth we have added the element of innovation. Innovation is viewed in this report in a broader perspective in the sense that not just business organizations, but the whole community (government, NGO's and inhabitants included) contribute to the further innovation of all areas of society to benefit of prosperity. In developing innovation on a nation-wide scale there are certain 'ingredients' that need to be present. These three key aspects 'smart people', 'smart ideas' and 'the right environment for collaboration' are the building blocks for developing innovation for Aruba.

It should be emphasized that innovation should not be seen as a goal on itself, but as a means to enable Aruba to pursue sustainable economic development on the long run by creating a 'state of mind' so that society as a whole - individuals, private and public sector - can grasp and develop new opportunities. This will ensure the sustainability of future developments.

Therefore government and private sector should work together towards creating

1. *An innovative economic environment;*

Two crucial aspects are accentuated to accomplish this:

- Generating awareness for innovation
- Developing (inter-)organizational skills and stimulate attitudes for management of innovation.

2. *A high-developed human capital to sustain the workforce;*

This achievement focuses on

- Attracting (local) talented people (knowledge immigrants)
- Elevating level of education of the workforce
- Fostering innovative thinking

3. *A sustainable technology and ICT that benefits the community and that functions as a pull-factor for further innovation;* by facilitating access to these technologies, the Aruban people, entrepreneurs and government institutions will be able to boost their innovative capacity to the wellbeing of all. Encourage domestic development of green energy technology and attract research and development facilities for green energy and waste management that can help develop Aruba as a showcase for green energy in the region.

4. *A developed and well maintained sustainable society.*

A society that strives to be sustainable accepts a duty to seek harmony with other people in that society and with nature.

### Enabling the international financial sector

In 2025 the financial sector has become the 2<sup>nd</sup> largest GDP driver of Aruba and contributes to the welfare of the overall Aruba community without straining the present infrastructure of Aruba. An International Financial Center will contribute to diversify the economy of Aruba by creating a new pillar for the economy and shifting the intense focus on tourism to a more mixed economic approach. Other achievements will be to attract highly educated people, to have a broad field of professionals working in the International Financial Center and to constantly recruit new professionals. It is important to create an advanced infrastructure in line with the International Financial Center and an excellent

international network through tax treaties and negotiating additional tax treaties and tax information exchange agreements to expand this network.

To achieve this, government and the private sector will need to continue dialogue on a regular basis and based on mutual trust and respect. In this sense improvements at the service level, friendly transparent tax regime (locally and internationally), including state of the art supervisory and regulatory regime that meets international standards, will be needed. The creation of one entity that is responsible for the promoting and facilitating of the International Financial Center where requirements and formalities (inclusive of licenses, permits etc.) are handled efficiently and last but not least the Tax Department has a special unit dedicated to handle only matters of the International Financial Center.

### Sustainable Tourism Development

Taking into account that Aruba already has a well-established tourism industry, with a developed hotel product and tourism infrastructure, and assuming that in 2025 the tourism industry will remain an economic pillar than, for the tourism industry to be successful, the foundation of “un Aruba dushi pa biba” has to be well established. What we need next is to consolidate the industry and create the necessary actions to make tourism in Aruba sustainable. In this case we want to:

1. Create/maintain the vision of sustainable tourism development
2. Create a tourism environment that stimulates a healthy balance between the needs of the population and the needs of the visitor:
3. Offer a quality tourism physical infrastructure
4. Provide an enriched visitor experience
5. Maintain and improve transportation access, infrastructure and services to facilitate travel to/from and on Aruba
6. Market Aruba as a restricted and highly desirable global brand

### 3. PROTECTING THE ENVIRONMENT AND PROMOTING A CONSCIOUS USE OF NATURAL RESOURCES

Aruba is a small island with valuable resources and a fragile environment. A sustainable use of Aruba’s resources will lead to a better quality of life for Aruba’s population and future generations so each one can experience and enjoy the beauty of Aruba’s environment.

Clean sea, air, land and preservation of local flora and fauna can be realized if there is investment in the preservation and management of a sustainable environment. In this sustainable environment Aruba will have reduced its fuel import by 50%, generating mostly its own natural energy resources. In addition, the dependency on the import of food can be reduced and Aruba will be able to produce a part of their own organic food by 2025. Land degradation should be avoided and waste management is a priority owing to the health impacts. The promotion of sustainable energy technologies and practices is a must, given the impending threat of climate change to this small island of 100,000 people and 1 million tourists on an annual basis.

### Clean and risk free environment

For 2025 Aruba is a Clean and Risk Free Environment complying with all International Environmental Standards and within the Top Ten countries. We need to respect our environment and take better balanced decisions not only for economic gain but also for aesthetic purposes for our enjoyment and for future generations. Whatever decisions we have to take from now on we have to consider the next generation by carrying the

consequences in our own generation through sustainable use of the earth's resources without withholding the pleasures of a healthy sustainable environment.

Government in consultation with the private sector will:

1. Prepare and implement environmental laws that help ensure the sustainability of our natural environment.
2. Work towards the achievement of the high International Environmental Standards & Environmental Sustainability Indicators. Indicators to measure our goal will be based on "Environmental sustainability indicators" used by the UN and OECD countries.
3. Create an Environmental Management Authority (EMA);
4. Invest in the preservation and the management of a sustainable environment. Aruba works towards reducing and offsetting its carbon footprints (CO<sub>2</sub>) and uses it to attract tourism.
5. Everybody is aware and educated about the importance of nature and acts accordingly to protect it. Aruba uses abundant alternative energy sources of sun, sea and wind in a way that is not at the cost of society.
6. Households, schools and companies have gone through mentality change and Refuse, Reuse, Reduce, Recycle, Restore. 5 – R behavior.
7. Aruba makes efficient & responsible use of the limited land & prudent use of natural resources. Aruba's environment is reforested with local plants and trees.

#### Energy management for a sustainable development

Fossil fuel is imported from countries all around the globe as the primary energy source in Aruba. Its availability and pricing is prone to a variety of external factors, such as increasing global demand and decreasing availability, geo-political developments and environmental costs, just to mention some. The need for an energy management that foresees for a sustainable development is therefore even more important in the coming years. The NISP foresees an island, where the use of our own natural renewable energy sources is maximal and the use of environmentally unfriendly fossil fuels is minimal.

In 2025 Aruba will have reduced its fuel import by 50%; the Aruban transportation-system has shifted increasingly from being fossil-fuel energized to being energized by renewable energy sources. Also fixed transportation options have been introduced on the island, thus eliminating the need to expand the road-infrastructure, compared to 2009. This will prevent even more of Aruba's natural heritage to be lost to asphalt-& concrete-structures. To some degree, in the near future we may all also become both producer and consumer of electrical-energy.

In order to make this possible we need to implement Renewable Energy Technologies (RET's) and train highly skilled local professionals. We also need an attitude change toward waste, its disposal-methods, the efficiency of the processing methods and producing less by an efficient life-style. The people of Aruba have to be also well aware & educated in protecting the environment, in the use of alternative energy & energy management. So we can assure the next generations will have at least a pleasant environment to live in.

#### Promoting sustainable food supplies

In this volatile price environment, there are several factors, associated with demand and with supply, whose combined effects have the potential to cause a tightening of overall capacity in food markets. Left unaddressed, they threaten to lead to a significant

deterioration in the balance between the global demand for food and the capacity of world agriculture to supply it. This could also have consequences for Aruba

By 2025 Aruba has reduced its dependency on the import of food by 10% because Arubans produce a part of their own organic food locally. Arubans plant vegetables, fruits and herbs and raises livestock and fishes for its own use and well-being. This is accomplished in the “AruVegAll” program. Aruba is partially self-sufficient and the successful AruVegAll program stimulates our own production resulting in less dependency of imports on vegetables and tropical fruits from other countries.

The objective is to teach the Aruban community how to grow our own vegetables, fruits, fishes and raise livestock through the possibility to develop small entrepreneurs that can start their own business or even for their own consumption.

In this respect the following policies have to be implemented;

1. Introduction of the “Programa Internacional di Agricultura” (PIA); this program will synergize the partnership between public and private entities to create an awareness program for the community. Arubans will be educated and made aware of the importance of producing part of the own food and how to make an efficient use of the available space (in the garden)
2. Create starters packages with seeds, soil test together with a soil food web analysis and information on usage
3. Ratified bio-safety protocol
4. Protocol on organic growing
5. Create a Farmers market and farmers’ cooperative. Farmers produce and cultivate meat, fish and or shrimp to sell it on the market.
6. Rethinking and implementing the use and storage of rainwater
7. Create an Organic seed bank

#### 4. PROMOTING GOOD GOVERNANCE

Political commitment is essential and a precondition to achieve a sustainable development. But more important is that all the partners involved practice good governance principles. Transparency and a continuous dialogue between all relevant parties, sharing of a common vision for the future should be high on the agenda’s.

##### Putting Good Governance principles in practice

We define governance as the traditions and institutions by which authority in a country is exercised for the common good. This includes:

1. The process by which those in authority are selected, monitored and replaced;
2. The capacity of the government to effectively manage its resources and implement sound policies;
3. The respect of citizens and the state for the institutions that govern economic and social interactions among them.

Government has been along the centuries the basic mechanism to manage a country’s affairs. A democratic government operates on the basis of the principle of representation, through which people pass the responsibility for decision-making to their elected representatives and the organs of the State. Once this responsibility is passed, people somehow become disconnected from the decision-making process until the next opportunity to either renew or withdraw the decision-making mandate at election time.

Governance, instead, is a method of managing public affairs in a participatory manner, so that people may have a direct and ongoing voice in the making of the decisions that affect them, as well as in the process of implementation of the same. By the participatory nature, governance fosters continuous relationships and partnerships among all the members of the society. Although government is one of the mechanisms of governance, a multiplicity of mechanism and processes are part and parcel of a healthy and sophisticated governance system, for example consultative mechanism, national dialogue, coalition or community council.

## PART I THE PROCESS

*A Sustainable Aruba that is developing for the benefit of all people and stakeholders of Aruba and that has a future for our children and our grandchildren which will make them proud to be Arubans*



## PART I THE PROCESS

### 1.1 Why Nos Aruba 2025?

Many have asked the question: Why a National Integrated Strategic Plan for Aruba? And why now? There are so many challenges in Aruba at this moment; why look beyond now towards 2025? Is there anything more to plan in Aruba anyway as most strategic resources already have been committed?

The small scale of the economy, dependency on one economic activity, the increasing numbers of residents and visitors, threats to the fragile island ecosystems, decreasing labor productivity, increasing inflation, threats to Aruba due to external factors such as for example, the vulnerability of the island in a volatile global energy market, international financial crisis affecting our tourism and critical food supplies, raises questions about the direction of the island, its long-term limits to growth, and the need to plan and act now to assure that the preferred future for the people of the island is met.

The reason for a NISP for Aruba is related to the present economic, environmental and social landscape of the island. There is imminent need for a structured policy making process in which decisions are analyzed, monitored and evaluated. The challenges we have today have to be considered and dealt with, but based on long term viable solutions. You cannot simply solve the present problems without considering the direction you want to go as a country. One of the responsibilities of government is to facilitate and stimulate sustainable economic development. Therefore government should formulate goals and policies and plan the necessary activities to reach those goals. However, this has to be done in direct consultation with the private sector and the civil society. In Aruba many plans have been prepared since 1986, most of which were prepared or commissioned by the government. The methodologies for preparing those plans have been numerous and each plan was prepared with a specific goal, without a larger development framework. All these plans had an important added value to the development in Aruba, but most plans were not strategic and usually did not integrate the various aspects of society, nor did these plans proactively engage the private sector and the citizens. Sustainability was lacking.

Aruba has decided that a National Integrated Strategic Plan with a national vision until 2025 is indispensable, covering sustainable development; the formulation of national goals; a method to achieve these national goals; and detailed plans of action. This plan includes long-term strategies at a national level which are obtained through an interdisciplinary and multi-sectoral approach. These long-term strategies are formulated within the framework of a National Integrated Strategic Plan (NISP), and with the participation of all stakeholders that directly and/or indirectly influence sustainable development in Aruba.

The stakeholders that participated in this process have provided their input by means of public workshops, symposiums and by actively participating in or being consulted by the commissions. By being part of one or more commissions, each commission member gets the opportunity to help shape the future of Aruba. Shaping the future of Aruba is not only the responsibility of the government of Aruba, but the responsibility of each individual living in Aruba. All persons living in Aruba have a shared responsibility in shaping the future of Aruba and in increasing the sustainability factor in our actions and their

outcomes. Even the smallest or insignificant action, being part of an aligned chain of actions, will contribute towards a sustainable development in Aruba.

In order to get uniformity in the results of each commission and to provide a line of action (guidance), a “methodology” and a ‘terms of reference’ were formulated. This uniformity and line of action is necessary for the integration of the work of all the commissions into the NISP. Together all the commissions also collaborated at integrating all the work of the commissions into the NISP in order to create a holistic NISP.

The main goal of the NISP is to involve the broad community in creating a vision together for Aruba’s future, by means of a participatory approach. The NISP process has the following objectives:

- Empowering Aruba to achieve its full potential by integrating social, cultural, economic, technological and environmental developments.
- Stimulate sustainable development.
- National Integrated Strategic Plan (NISP) finalized by 2009.
- Institutionalization of the strategic & integral planning process for sustainable development.
- To stimulate coordination and dialogue between all stakeholders in the private and public sector, civil society and all citizens in Aruba in designing the vision.

Aruba is a small island economy, highly dependent on one economic sector, which is tourism. Due to its limitations of economic scale the challenges to survive in a globalized world are even greater as Aruba is continuously influenced by outside development. The vulnerabilities of the island and the rapid changing international environment make it necessary for us to adapt very quickly. Therefore working with a strategic plan is more imperative in the case of a small island economy like Aruba.

Through a strategic planning process the government and the private sector aim to stimulate a national dialogue process in which, through the use of information, consultation and active participation, the social partners strengthen their relations with each other and citizens in general. This way the government stimulates the citizens to think about their own future and take responsibility and accountability for their own actions.

A basic document to start this strategic process in Aruba was the “Citizens as partners” an OECD (Organization for Economic Co-operation and Development) handbook on information, consultation and public participation in policy making, (published in 2001). This document highlights the three main reasons why it is important that the relations between government and citizens are strengthened.

### 1. Better public policy

Stronger government-citizen relations encourage citizens to spend time and effort on public issues. It uses and values citizens’ input as a resource. Information, consultation and active participation provide government with a *better basis for policy-making* enabling it to become a learning organization. At the same time, it ensures *more effective implementation*, as citizens become well informed about the policies and have taken part in their development.

### 2. Greater trust in government

Information, consultation and active participation give citizens the chance to learn about government's policy plans, to make their opinions be heard, and to provide input into decision-making. This involvement creates greater acceptance for political outcomes. Government shows *openness*, which makes it more trustworthy for the citizen – the sovereign in any democracy. By building trust in government and better public policies, strengthening government citizen relations enhances the *legitimacy* of government.

### 3. Stronger democracy

Information, consultation and active participation make government more transparent and more accountable. Strengthening government citizen relations enhances the basis for and encourages more *active citizenship* in society. It also supports citizen engagement in the public sphere, such as participating in political debates, voting, associations, etc. All this leads to a stronger democracy.

The OECD documents also mentions: “Governments’ efforts to inform, consult and engage citizens in policymaking cannot replace representative democracy and do not intend to do so. Instead, they complement and strengthen democracy as a whole. Governments’ increased attention to strengthening their relations with citizens is the result of a *changed context for policy-making*. National government finds itself dealing with an increasingly interconnected world and has itself grown highly complex. Society and markets demand that more and more areas have to be taken care of in greater detail. Many challenges surpass national or administrative frontiers. Take for example tax evasion, crime and environmental degradation. Modern information and communication technologies (ICTs) have increased and accelerated these interdependencies. These challenges require national governments to cooperate and find agreement across multiple levels of government – be it local, regional, national or global”.

“As a result, government policy-making becomes *more complicated*. It makes it harder for citizens to understand and to hold government accountable. Government’s limited resources make it difficult to ensure policy-making and implementation on its own. In the midst of this complexity, citizens perceive their influence through voting to be declining and with it their trust in government. There is more talk of the “democratic deficit” and reduced government legitimacy. Governments find themselves increasingly under pressure to ensure that public policies are effective and legitimate. They realize that they will not be able to conduct and effectively implement policies; as good as they may be, if their citizens do not understand and support them.

*In seeking to strengthen their relations with citizens, governments are reacting to pressures* affecting all phases of policy-making: from problem identification, policy development, decision-making, to implementation and evaluation”.

In view of the OECD report we conclude that the *Nos Aruba 2025* process is a consultation process which gives government the opportunity in actively engage the citizens of Aruba in the decision making process. But in this case *Nos Aruba 2025* also aims in developing and stimulating the accountability in each of its stakeholders by defining this process as: “*Shaping the future of Aruba is not only the responsibility of government, but the responsibility of each individual living in Aruba*”.

## 1.2 The Appreciative Inquiry approach, SOAR and Scenario Planning

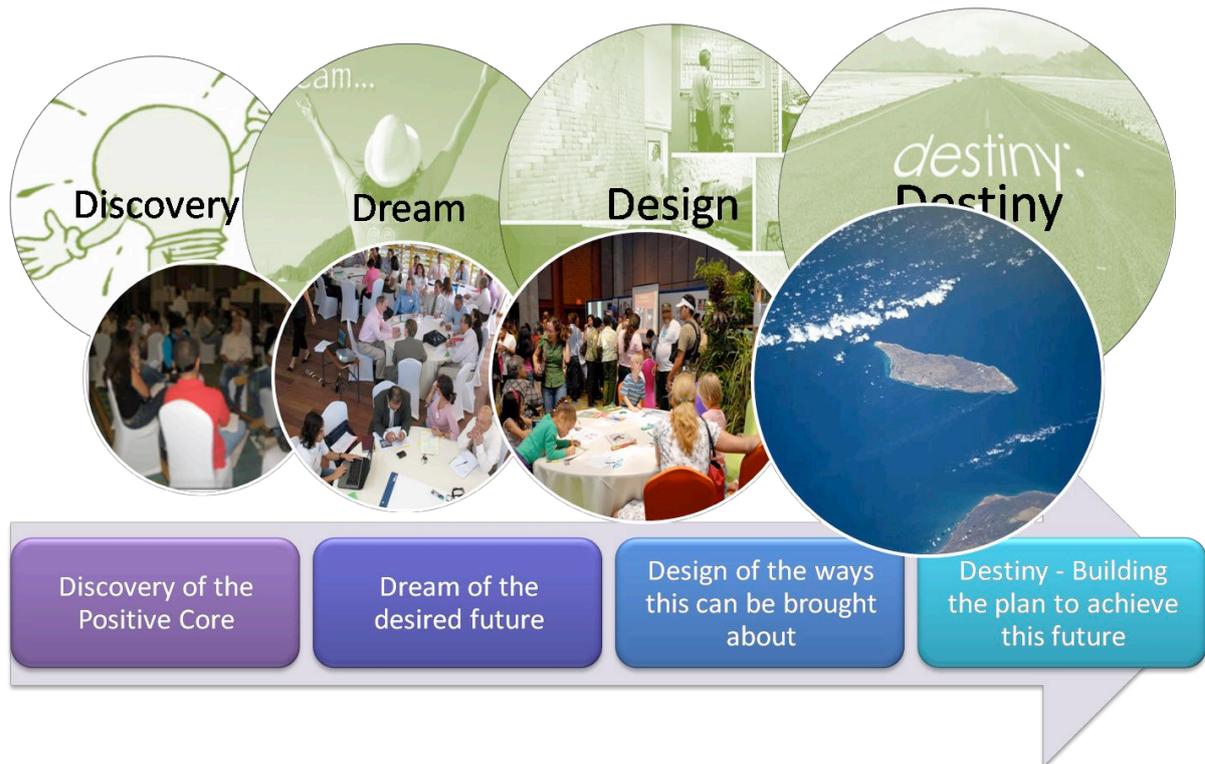
*Nos Aruba 2025* uses the Appreciative Inquiry (AI) method as the mass communication methodology to effectively manage change in communication. The AI mass communication method is different from the traditional communication methods. AI offers an opportunity to inform, imagine and innovate instead of supporting a critical, problem oriented approach. According to the AI theory, organizations and communities that have a negative culture focus too much on threats and weaknesses. This creates the perspective that identified problems are overwhelming leading to a state of negativism and desperation. AI is a process that inspires change and involvement by the community. It enhances connectivity and seeks to enact positive change through relationships, networks, broad knowledge and action. *Nos Aruba 2025* contributed to this connectivity by holding events where an array of stakeholders was present to discuss its role in the Sustainable Development of Aruba.

Appreciative Inquiry is the discovery of the positives that can be found in people and the community around them. It is an art and practice of asking unconditional, positive questions that strengthen a system's capacity to capture anticipate and heighten positive potential. Instead of negativism, criticism and a downward spiraling diagnosis, there is discovery, dream, design and destiny. It works from accounts and experience of the 'positive core'. AI links the energy of the positive core directly to any change agenda and can make changes never thought possible and these changes are democratically mobilized. The positive core focuses on appreciative questions geared at increasing awareness on the benefits and strengths of the community and people. AI creates alignment of strengths whereby weaknesses become irrelevant. In Aruba's case the *Nos Aruba 2025* process influenced a movement in the Youth Parliament to institute a special day to keep Aruba clean.

Appreciative Inquiry has 4 stages<sup>1</sup>:

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<sup>1</sup> More information about the AI methodology is available on the internet. For more detailed information about the process in Aruba please go to [www.nosaruba2025.aw](http://www.nosaruba2025.aw) . All reports of the events and training material are available on this website.



**DISCOVER:** What gives life? (Appreciating the best of something). This phase took place from January through June 2008. The commissions conducted further Discovery also during the Design and Destiny phases to explore further how the Positive Core of Aruba can be used to deliver the Dream of the NISP.

**DREAM:** What might be? (Envisioning impact: shared images for a preferred future). This phase took place from July through October 2008. At the end of this phase the commissions were formed to start to work on the contents of the NISP.

**DESIGN:** What does innovation look like? (Co-constructing the ideal). This phase took place from November 2008 through February 2009, where the Commissions designed a framework in which the dream might be realized.

**DESTINY:** How to empower? (Sustaining the vision through action). This phase took place from March through October 2009 when the NISP was formally completed, and will continue through the implementation of the necessary actions towards building a sustainable Aruba.

Additionally to the AI communication method, the Appreciative Strategy Framework SOAR (Strengths Opportunities Aspirations and Resources) is being used in this project for the part of strategic planning. According to chapter 38 of the source: 'SOAR, a new approach to strategic planning' written by Jackie Stavros, David Cooperrider and D. Lynn Kelley, the SOAR framework integrates the AI principles in the strategic planning, which is also the case in this project. The SOAR framework builds upon the positive core of Aruba. By focusing on the Strengths and Opportunities, Aruba can obtain its Aspirations

(desired outcomes) with measurable results. Within the NISP the SOAR framework focuses on creating the environment and Resources needed to bring these Aspirations to life.

Within the SOAR framework a Scenario Planning Approach is used. The future is highly uncertain so we used scenarios to prepare us for many different futures rather than trying to predict a single future. In the strategic planning process all aspirations and plans will be tested against the scenarios to ensure that they are robust in many different plausible futures where major STEEP forces are outside of the control or influence of Aruba (STEEP means Social, Technology, Economic, Environmental, and Political external forces affecting Aruba). The Appreciative Inquiry Approach was presented by WIKIMA Partners Limited.

### **1.3 Sustainable Development in Aruba**

As expressed by the 1987 UN World Commission on Environment and Development (the Brundtland Commission), sustainable development refers to the need to balance the satisfaction of near-term interests with the protection of the interests of future generations, including their interests in a safe and healthy environment.

Due to the small scale economy of Aruba, sustainable development is a big challenge whereby developments have to continue to take place. In addition, a balance has to be obtained between the limited carrying capacity of the environment of Aruba, the need for economic growth and social coherence whereby it is guaranteed that the future generation can achieve their goals as well.

Next to environmental, social and economic challenges – such as economic growth, the creation of new jobs and the absorption of the increasing expenses due to the aging of the Aruban population – the strengthening of the social security package must be continued. Furthermore, the accessibility to health care must be improved as well as the efforts towards an increasingly efficient government system and a stimulating policy towards sustainable development. All these vital issues are necessary to secure the well-being of future generations. Next to this, a learning process must be in place whereby sustainable development is a natural way of thinking in planning the future of all the concerned stakeholders. The NISP needs to be a catalyst in this.



During the Sustainable Development Symposium organized in April 2008 the definition of sustainable development was further discussed. For Aruba sustainable development is about developing our economy and ensuring that everyone can benefit from this. At the same time, it is about our society, our culture and our environment. It is about the connections between our quality of life and housing, open space, transport, education, crime-prevention, health; now and in the future. The decisions, choices and the actions of today impact both us and our future generations. Sustainable development recognizes the need for integrated decision-making. Social, economic, and environmental factors all impact any given decision and in turn every decision has social, economic and environmental impacts. Awareness of these linkages is vital to responsible decision-making.

Through the process of Nos Aruba 2025 the vision 2025 for Aruba developed based on the concept of sustainable development.

## Sustainable development for Aruba

*A Sustainable Aruba that is developing for the benefit of all people and stakeholders of Aruba and that has a future for our children and our grandchildren which will make them proud to be Arubans.*

## Vision 2025

*“A multicultural community that lives in harmony, with a high quality of life, working together with genuine desires to create a developed Aruba in a sustainable way for future generations”*

## How to achieve

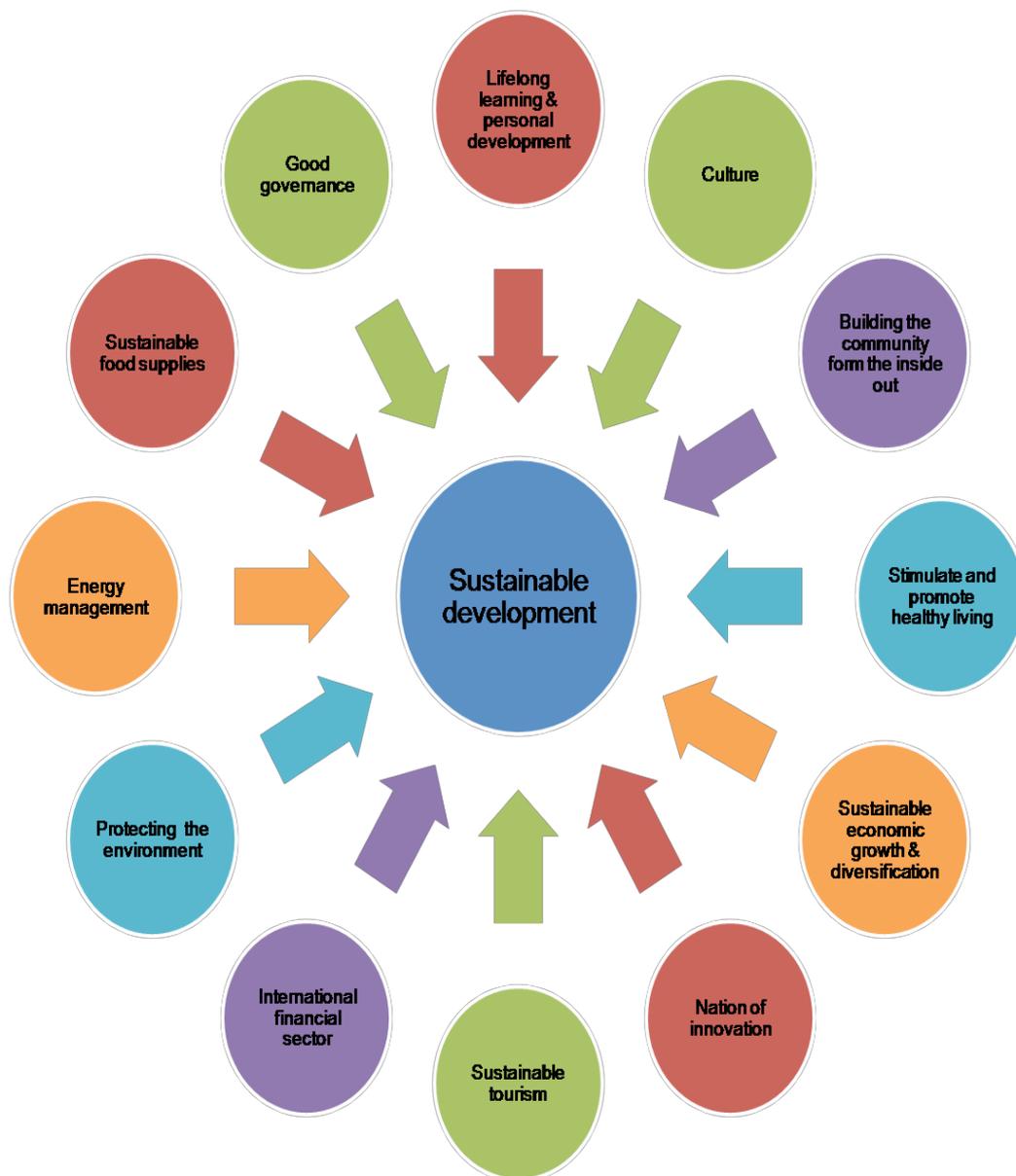
**Our vision is achievable, with an educated, innovative and productive population that loves and participates in its community. A healthy community aware and caring of its own community and environment, based on transparency, partnership and honesty for a prosperous ARUBA towards 2025 and beyond.**

## 1.4 Aruban Model for Development

To achieve the vision in 2025 it is necessary to align policies and strategies that create synergy and coherence. Therefore during the process twelve development priorities emerged as strategic areas needed to be integrated in order to achieve sustainable development. Those twelve priorities have been elaborated throughout the process and tested for viability in different scenarios for a plausible future.

Each development priority has been studied individually and for each one an aspiration has been formulated linking all the four sustainability themes. This way the integration of the whole took place from day one. In the following diagram the development priorities are presented.

### *Development priorities*



The sustainable development concept defined the four sustainability themes used to create the model for development for Aruba. The sustainability criteria are then used to analyze each development priority individually. When defining the actions to be recommended each development priority is tested against the social, economic, environment and political effects it will have. The following sustainability themes were used.

### *Sustainability Themes*

#### Social

- Social progress which recognizes the benefit of everyone
- Honour the culture and values
- Everyone is accountable for sustainability

#### Economic

- High and stable levels of economic growth and employment in a diversified economy
- Sustainable consumption and production

#### Environment

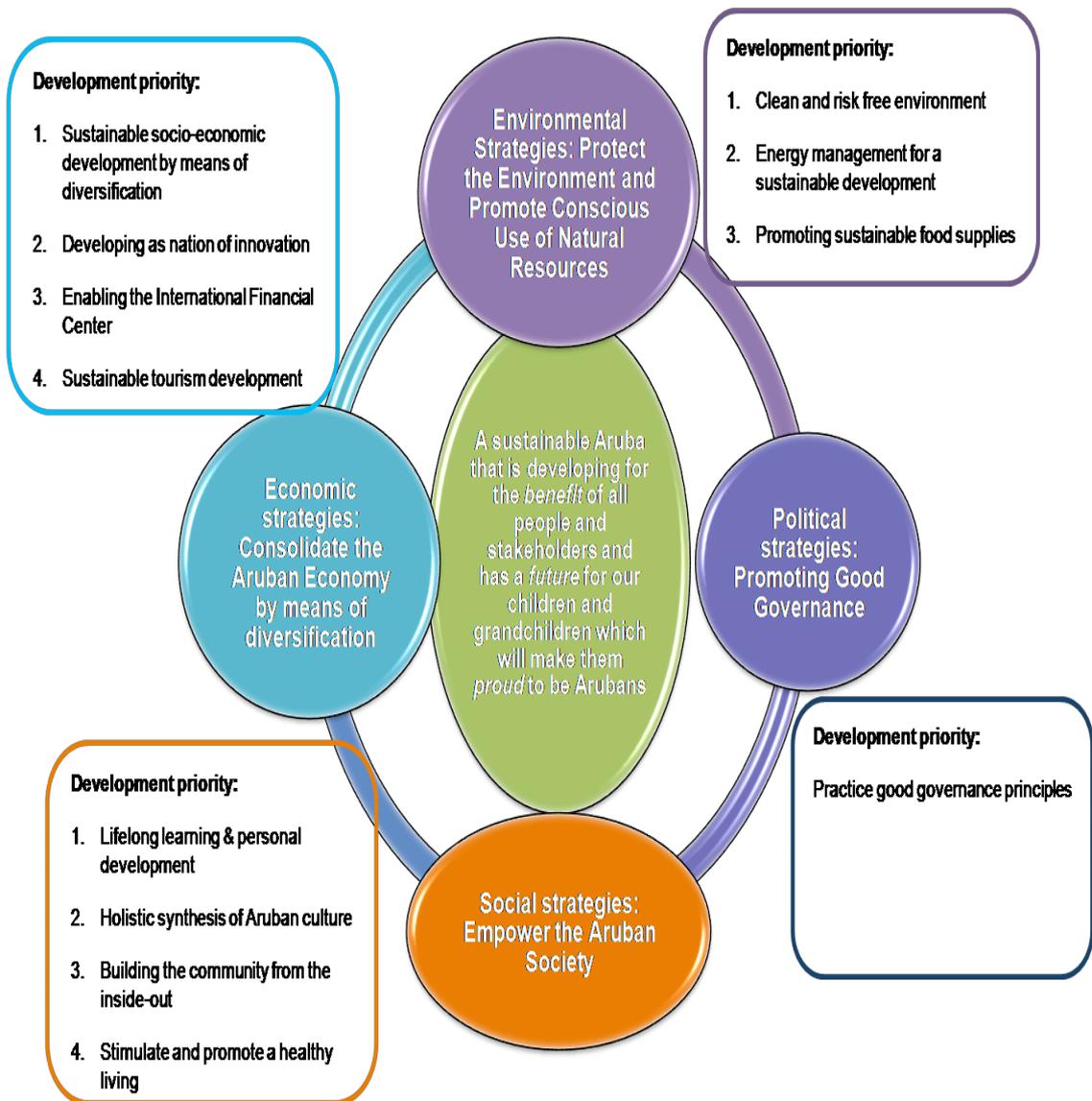
- Effective protection of the environment
- Prudent use of natural resources

#### Political

- Good governance

The national integrated strategic process for Aruba has been a unique process that links the sustainable development concept, the development priorities and the vision 2025. The four strategic areas are interconnected and support each other. In the following diagram this model is presented as the Aruban model for development.

*Aruban Model for Development*



## 1.5 Institutionalization of the Strategic Planning process

The institutionalization of the strategic planning process is one of the main goals of the NISP in order to secure the participative and permanent consultative process, as well as the execution of the NISP. There are many ways to institutionalize a strategic planning process and in this report one of them is being presented. This proposal is to give the initial impetus to make sure that the NISP is executed and its execution is monitored.

It is imperative that the NISP process is institutionalized to succeed on behalf of continuation in a structured way and that it becomes embedded as an established norm in the governance of Aruba. Planning is a continuous process and not a onetime activity. The world is in a constant evolution and due to technological advances this evolution has achieved an unimaginable pace. This means that the planning we do today is obsolete tomorrow and needs adaptation. The necessary measures to repeat this process on a continuous basis have to be taken. It is because of this that the monitoring and evaluation of the planning have to be institutionalized.

### *Legal Framework for Strategic Planning*

With sustainability in mind the first recommendation is to introduce a Strategic Planning law that stipulates that every 3 years the NISP is reviewed and the participative process and permanent consultation is repeated. The Strategic Planning law should also provide for the monitoring, evaluation and implementation of a strategic plan. Consequently the NISP obtains a legal status, whereby future policy and budgets will be measured against it.

The Strategic Planning Law should at least include the following:

- That the execution of the process should be monitored and evaluated every 3 years
- That the process of strategic planning for sustainable development has to be participative based on a permanent consultation with the stakeholders and responsive to the changing demands of the community, also looking at financing by the public and the private sector in the long run
- The establishment of a Tripartite Platform for Sustainable Development to foster dialogue and cooperation
- Definition of the mechanism and organization of the Tripartite Platform
- Indicate the institutions that will form the Tripartite Platform and how these will be chosen
- The responsibilities and competencies of the parties involved in the Tripartite Platform

The international treaties and obligations and what the international community expects from Aruba will be taken into consideration when formulating the legal framework.

### *Parliament*

The Strategic Planning Law and the NISP will be approved by the Parliament. The Parliament may institute a special advisory board to advise them on the execution of the NISP. In addition, the Parliament may institute an internal commission that will monitor the implementation of the NISP and request the Tripartite Platform for quarterly status reports. This way the Parliament will be able to execute its control and monitoring role.

### *The Tripartite Platform*

The Tripartite Platform “**Plataforma Desaroyo Sostenibel**” will be formed by representatives of the employers’ organizations, government and representatives of the trade unions. The public sector will be represented in the Tripartite Platform by the minister of General Affairs. The Tripartite Platform will maintain a continuous dialogue on ways to stimulate the sustainable development and will monitor the execution of the NISP. This platform will be an advisory body to the government and will inform the Parliament on the status of implementation of the NISP and policy issues arising from the dialogue. The nature of the Platform will contribute to the process where Sustainable Development becomes inherent to the political agenda.



The tasks of the Platform Desaroyo Sostenibel Aruba will be among others:

- To create the conditions for a sustainable development of Aruba
- To stimulate and coordinate the dialogue between the social partners
- To ensure that the participative and permanent consultation process is respected
- To align the policy and attune the policymaking tools
- To determine priorities and give recommendations to the private sector and to the government on policy issues and/ or actions to ensure sustainable development
- To monitor and evaluate the execution of the NISP

- To report on the achievements of the desired outcomes of the NISP
- To call each other to account on how the NISP is carried out
- To ensure that the NISP will be reviewed every 3 years

The Platform will be constituted similar to the SER. A secretary will be in charge of the daily work, prepare the agenda for the meetings of the Platform and coordinate the different tripartite commissions that will elaborate on the topics presented during the dialogue in the Platform.

#### *Private sector and civil society*

The private sector and civil society will endorse the NISP and take responsibility to ensure a sustainable development of the island. The employer's organizations and trade unions will take responsibility in the Tripartite Platform and influence in a positive manner the dialogue. The private sector and civil society will also have the role of monitoring the execution of the NISP, make recommendations when necessary and stimulate the participative and consultative process. NGO's will participate actively in all relevant areas depending on the issues discussed.

#### *The community*

The community will also have to take their responsibility and act according to the guidelines to achieve a sustainable development. Each individual living in Aruba will be part of the continuous planning process, by participating actively in the execution and monitoring of the NISP, either directly or indirectly via the civil society.

#### *Government*

One of the bottlenecks identified in this process is the implementation of clearly defined policies and the acceptance by the public service of their responsibilities. This document will advise on specific policies in the areas of the economy, the social sector and the environment in order to promote a sustainable development. To effectively execute those policies it is however necessary that government institutions and public servants understand the importance of those policies and are willing to adapt their policies to be able to execute the proposed actions. A coordination role within the Government should be in place. This coordination role currently resides within the Department of Economic Affairs, Commerce and Industry.

Therefore the Council of Ministers is urged to approve the NISP and the action plan 2010-2013 and to instruct the government departments and institutions to take the necessary steps and responsibility to achieve the goals. Translation of the goals and activities into the departments' policies will need to be promoted top-down by the Government and through the active role of Parliament on Sustainable Development.

It is important that the Government stimulate the participative process and dialogue through example and encourage respect between the social partners.

#### *Sustainable Development Week*

The Government and the Private sector should work together to determine and sponsor an annual week on Sustainable Development in which promotion and relevant actions will be executed.

## PART II      ASSESSING THE PRESENT SITUATION



## PART II ASSESSING THE PRESENT SITUATION

### 2.1 The Strengths of Aruba

The challenge in an effective change management is to expand upon existing strengths and improve these where necessary to be able to grasp and create opportunities. Emphasis should be put on creating a spin-off and synergy in socio-economic terms to expand the basis of generating (future) wealth for all Arubans.

The size of Aruba, small and orderly, is an advantage that would make many other countries jealous. The current strengths are generally the same strengths that have already made Aruba one of the most attractive and successful tourist destinations in the world.

Examples of our strengths are:

- Service-based economy
- Multi-lingual and literate society
- Political stability
- Independent judicial system
- Sound banking system
- Telecommunications
- International orientation
- Part of the Kingdom of the Netherlands
- Safety and security

However, there is a need to expand on these strengths. Examples of necessary additions are:

- Innovative fiscal products to stimulate investments and innovation
- Labor laws and human resource management reforms that promote productivity and flexibility
- Access to investment capital facilities
- Increased attainment of higher education levels
- Cooperation and communication between stakeholders
- Entrepreneurial development focused on economic diversity

The strengths of Aruba have been summarized from the many inputs received from the stakeholders participating in the Strategic Planning Process of Nos Aruba 2025. The strengths form the positive core and are the foundation on which Aruba will build its future. Not everything mentioned is highly visible at the moment; some strengths relate to things Aruba has demonstrated more strongly in the past and are now wanting to re-emphasize as the people of Aruba creates Aruba's future.

#### The people of Aruba

The people of Aruba are friendly in nature, value family unity, care about their fellow human beings, are able to unify and react rapidly under circumstances of crisis and are creative. The people of Aruba are a multicultural and multilingual society and feel connected to the nature. Value and norms, identity and cultural heritage are seen as important assets. The people of Aruba also believe in the family as the foundation of society.

### Strong community

There is not a great difference in social strata. Traditionally the community has integrated newcomers into Aruba's society. NGO's in social areas are well developed, lots of volunteer work abound. We have a social system, health system and education system that holds the basis for continuing improvement. There is tolerance towards a diversity of religions, cultures, nationalities and customs prevails.

### Stable economic development

A well-developed private sector with an international orientation stands out for its flexibility and ability to adapt rapidly to unexpected events. Our airport and port facilities are well developed. There is a stable domestic currency and banking system including compliance with international regulations as for example the OECD.

### Safety and security

The legal system is strong and Aruba is known as a safe and secure place. The Status Aparte and our strong ties within the Kingdom of the Netherlands are seen as positive. Political stability based on a democratic rule of law provides the basis for law and order.

### Geographical position

The geographical position of Aruba is seen as an opportunity for economic competitive advantages and Aruba's climate and friendly people form a perfect match to attract and maintain our main economic pillar, which is tourism.

### Nature

We are connected to nature; the people of Aruba know and respect the power of nature. Our indigenous species of flora and fauna are in many ways unique.

## 2.2 Current Challenges

### 2.2.1 Economic structure

Aruba's economy has entered a stage of maturity after a period of double digit growth in the 1990's. Nominal GDP more than doubled from 1990 to 2006 according to National Accounts. Since then the economy has known continued growth but albeit at a slower pace. According to the World Tourism Organization (WTO), tourism directly & indirectly accounts for about 70% of GDP. Tourism has rebounded twice from economic decline, recorded in 2001 and 2005.

Aruba's economic development has led to a high level of social development and high consumerism. However, Aruba's economic growth was driven by volume and not by increase of labor productivity.

Table: 1 Real GDP and population



Source: CBS Aruba

From 1995 to 2008 the population grew by 33% driven foremost by import labor due to local labor supply shortage. Real GDP per capita<sup>2</sup> remained virtually flat since 1990 (see figure). Combined with inflation this has led to reduced spending power.

Primary function of the economy is the forth bringing of the material base necessary for social well-being. Currently the economic structure resembles that of a mono-culture, tourism and other activities directly related thereto as dominant. Meanwhile as means of ensuring a sustainable economic base by limiting risks related to a mono-culture. Aruba should try to diversify its economy. It is also important to keep in mind that economies much larger than Aruba have struggled, or are still struggling with attempts at diversification. It is already a major achievement to have one economic sector turned into a success story.

Having said these we should not stop trying to exploit and profit from opportunities that come our way on the condition of these opportunities are sustainable.

What do we have at this moment to work with?

- a highly developed tourism industry, tightly connected to a greater part of the (business) service sector, with over 70% of the entire economy being tourist related;
- an oil refinery that contributes approximately 10-13% to the country's GDP; however, with an uncertain future at present;
- a financial services sector that has experienced major deterioration over the last decade;
- a commodities and services free zone that has dwindled in size and importance in the last decade;
- no significant agricultural and fishery activities; though some opportunities can be identified that have so far not been exploited;
- a lack of rigorous analysis of economic activities related to environment (recycling, e.g.);
- the first activities related to alternative energy sources are starting to take shape, yet many unexploited opportunities still need to be explored in a comprehensive way.

Today, it is hardly imaginable being able to perform any economic activity on Aruba without this close link to the outside world. As a consequence, any economic activity is also closely linked to the need of foreign currency, in order to pay for all imports required to feed the population and purchase all that is necessary to keep the economy going.

Thus, as Aruba is a small open economy by definition, with no chance of changing that anytime in the future, inward-oriented growth will always be marginal compared to gains Aruba's international economic orientation will bring.

#### *Background on development of Aruba's tourism sector*

In 1983 a tourism Master Plan was drawn up by Bernard Sprinrad. This plan projected hotel room expansion to 20,000 rooms in the next 20 years. In 1984 Sasaki Associates was hired to draft the infrastructural outcomes of the Master Plan. The Sasaki Plan foresaw in:

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<sup>2</sup> Source: Central Bureau of Statistics, Aruba.

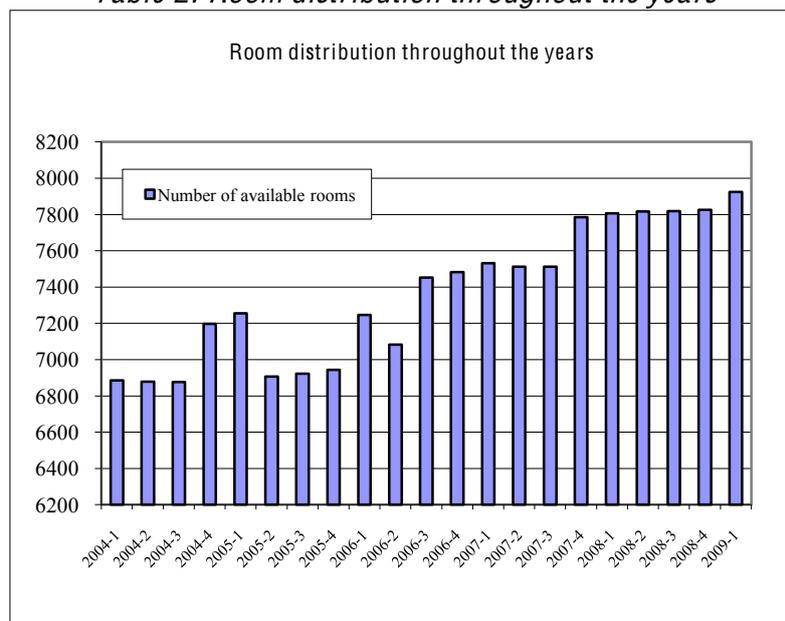
- The creation of the current Sasaki tourism corridor
- A second corridor from Pos Chiquito to San Nicolas along the border of the natural park. Objective was to provide better access to tourist facilities in Seroe Colorado
- Ringweg 3, circular road from the Airport to Codemsa to Sun Plaza

In the mid 1980's hotel capacity was expanded to 3,000 rooms. This was expanded further to 6,600 rooms in the early 1990's. At the end of the first quarter of 2009 a total amount of 7,924 rooms were available. After 2004 the following commitments were provided for the creation of 6,000 extra rooms:

- Bushiri
- Arashi
- Sero Colorado<sup>3</sup>
- Hadicurari/Ritz Carlton
- Condominiums Eagle Beach

In 2004 Sam Cole<sup>4</sup> advised on the development of small scale, luxury “boutique” hotels as a means to make Aruba's tourism sustainable. However, this strategy was not implemented.

*Table 2: Room distribution throughout the years*



Source: CBS, Economic Profile

## 2.2.2 Labor market developments

<sup>3</sup> Source: Comprehensive development Plan for San Nicolas and Sero Colorado, Sasaki Associates and Economics Research Associates, Massachusetts / 2004-04.

<sup>4</sup> Source: “A Framework for sustainable tourism in Aruba”, State University of New York – Buffalo / 2004-12.

The population of Aruba in 2006 consisted of 102,923 persons, of which 70,121 were considered part of the potential labor market (persons between the ages 15 and 60 years). This latter group consists of the labor population (50,896 – 72.6%) and the inactive population (19,225 – 27.4%).<sup>5</sup>

The Labor Force Survey 2007 presents a comparable picture, namely a total population of 104,006, of which 73,287 are part of the potential labor market (persons between the ages 15 and 64 years). An unemployment figure of 5.7% of the active labor population was registered in 2007, down from 7% in 2000 and from 6.1% in 1991.

### *Wage structure*

According to the Social Security Bank (SVB), Aruba's private sector workforce in 2006 consisted of 36,022 persons, of whom 5.12% earned minimum wage, 7.64% earn less than this (see Table 2). Those earning less than a minimum salary include those who work part-time, in other words, more than three and less than 40 hours per week. The salary range, AWG. 1361 – AWG. 2000, contains the largest amount of people at 30.41%. A more detailed analysis shows a relatively consistent distribution for every increment of AWG. 100 within that range (average of 3.43%). So while comparatively, minimum wage earners constitute the smallest portion of the total income scheme, the largest percentage of wage earners earn just a little over this amount.

*Table 3: Employed persons in 2006, Sub-divided in salary categories and percentage*

Monthly Salary	Employed	Percentage
AWG. 1360 (min. wage)	1,846	5.12%
AWG. 1361 – AWG. 2000	10,954	30.41%
AWG. 1361 – AWG. 1500	3,055	8.48%
AWG. 1501 – AWG. 2000	7,899	21.93%
<i>Less than AWG. 1360</i>	<i>2,752</i>	<i>7.64%</i>
<i>AWG. 1361 – AWG. 1400</i>	<i>918</i>	<i>2.55%</i>
<i>AWG. 1401 – AWG. 1500</i>	<i>2,137</i>	<i>5.93%</i>
<i>AWG. 1501 – AWG. 1600</i>	<i>1,722</i>	<i>4.78%</i>
<i>AWG. 1601 – AWG. 1700</i>	<i>1,574</i>	<i>4.37%</i>
<i>AWG. 1701 – AWG. 1800</i>	<i>1,564</i>	<i>4.34%</i>
<i>AWG. 1801 – AWG. 1900</i>	<i>1,265</i>	<i>3.51%</i>
<i>AWG. 1901 – AWG. 2000</i>	<i>1,774</i>	<i>4.92%</i>
<i>AWG. 2001 – AWG. 2500</i>	<i>5,780</i>	<i>16.05%</i>
<i>AWG. 2501 – AWG. 3000</i>	<i>3,893</i>	<i>10.81%</i>
<i>AWG. 3001 – AWG. 3500</i>	<i>2,453</i>	<i>6.81%</i>
<i>AWG. 3501 – AWG. 4000</i>	<i>1,855</i>	<i>5.15%</i>
<i>AWG. 4001 – AWG. 5000</i>	<i>2,492</i>	<i>6.92%</i>

<sup>5</sup> Personeelsopgave 2006, Department of Labor statistics

<i>More than AWG. 5000</i>	3,997	11.10%
Total Employed	36,022	100.00%

Source: CBS Aruba

In terms of inequality we ascertained a notable gender gap in wage level. While the participation rate of women has been steadily rising in the last decades to one of the highest internationally, the level of wage earned did not follow suit. Women are overrepresented in the lower income categories and underrepresented in the higher ones (see next graph). According to the results of the 2006 Income and Expenditure Survey, the male employed population earned on average (AWG. 3,131) 36% more than their female counterparts (AWG. 2,301).<sup>6</sup>

In this context we note that our economy is directed more to service producing activities, which are in general more conducive to more wage disparity than goods producing sectors.<sup>7</sup> An economic structure largely based on a labor intensive industry is apparently conducive to a large number of workers earning minimum wage or just above it (see next graph). A preliminary interpretation of these data leads us to conclude that Aruba is not creating an industry that is distancing itself from low-income jobs. The latter is based on the premise that in the two most important sectors, namely the tourism and construction sector, the terms of salaried workers are projected to expand even more or maintain their stature in this regard in the foreseeable future.

### *Productivity*

While no in-depth research on recent trends in labor productivity is available, it is a fact acknowledged by many entities such as the Central Bank of Aruba (CBA) and the International Monetary Fund (IMF) that the levels of productivity generally speaking are not very high. Part of the determinant of this relatively low level of productivity is to be found in the nature of economic activities conducted on Aruba, which are of a labor-intensive nature. Other determinants are more institutional in nature or skills related. A short overview of identified aspects is as follows:

#### *Labor related aspects currently affecting productivity*

- Labor market situation: the challenge of the availability of manpower:
  - o growing shortage of locally available manpower related to an aging population and a diminishing group of youngsters on the market;
  - o increase in manpower imports, both for substitution and for growth.
  
- Skill base of labor force:
  - o increased training needs due to increased import of (mostly) unskilled or insufficiently skilled manpower;
  - o increase in training costs, specifically with 3 year rotation-system of imported labor;
  - o shift and increase in training level needed for diversification:

<sup>6</sup> CBS Aruba, Income and Expenditure Survey 2006, p. 9, Aruba, 2008

<sup>7</sup> Mollick, A.V., Income Inequality in the U.S.: The Kuznets Hypothesis Revisited, p.2, available at: <http://avmollick.googlepages.com/IncDistJan2009>

- questions about output of students fit to continue college education: decreasing numbers of graduates fit for college;
  - need for (temporary) import of highly skilled manpower;
  - need for more and improved vocational training: better fitted to the needs of the employment market.
  
- Physical fitness labor force:
  - obesity related health problems;
  - stress-related and socially related health problems;
  - increased health related absenteeism;
  - decreased fitness on the job;
  - increasing healthcare costs;
  - increased fitness requirement at higher age while tendency is of less physical fitness at increasingly younger age;
  - healthy work-place conditions.
  
- Labor cost:
  - increased wage-gap between Aruba and regional competitors;
  - challenge in maintaining adequate price/quality correlation;
  - increased healthcare and social security costs;
  - low productivity elasticity of wages, higher wages hardly lead to higher productivity;
  - other secondary benefits; child-care, retirement.
  
- Human resource management
  - lack of evident economies of scale related to investing in HRM in relatively small companies;
  - substandard HRM practices;
  - lack of accessible and affordable HRM advice to small and medium-sized enterprises (SME's);
  - need of promotion of internationally recognized certification of businesses, also for small and medium enterprises.

### *Capital related aspects to productivity*

Productivity stands to profit from investments in new, capital intensive economic activities as well as a shift in investments within existing economic activities, toward more capital intensive and less labor intensive methods. Next to this a proper alignment between spatial planning, infrastructure and economic activities is necessary.

- Economic activities:
  - New:
    - challenges in establishing tourism-related activities requiring highly skilled labor and relatively high capital inputs:
      - tourism-related medical services, hospitality industry-related consultancy, etc.;
    - financial services;
    - other business services, locally and abroad.
  - Existing:
    - process engineering

- vertical integration
  - cooperation in access to resources
  - low elasticity of substitution of low skilled labor by higher skilled labor
- Infrastructure & spatial planning:
- Proper spatial planning and infrastructural development are a prerequisite for an adequate allocation of productive factors. To name just an example: the labor force needs to spend as little time as is possible being transported to and from the work place. Distances between the work place and housing are therefore of relevance. An effective physical infrastructure (renovation and construction of roads) and transportation system is needed.
  - The inner city regenerating (stadsvernieuwing)
  - Maintenance of government buildings

### *International factors*

Aruba is currently party to 36 international labor conventions of the International Labor Organization (ILO). In addition, Aruba is bound to articles 1, 5, 6 and 16 of the European Social Charter and article 1 of its Additional Protocol.

In its effort to become a respected member of the global community, more pressure will be exercised to accept upon oneself additional obligations for guarantees of human rights, under which certain labor issues fall. In this regard, the Kingdom of the Netherlands will also play a pressuring role. Careful consideration is warranted to avoid mindlessly accepting obligations which the country is administratively and/or financially incapable of carrying out.

### **2.2.3 Spatial environment**

Aruba's physical limitations have been recognized as a key constituent for economic and urban planning. Aruba's small size of 30 kilometer lengthwise and with an ample surface of 180 square kilometers gives rise to the need for an adequate spatial planning as to guarantee an orderly society. Aruba's population density (at 589 persons per square kilometer in 2008) is currently second highest in the Caribbean region and within the Top 20 worldwide. Aruba's spatial planning is therefore legally defined in the so-called "Ruimtelijke Ordenings Plan (ROP)" (Spatial Arrangement Plan).

Background of the ROP is:

- 2005: in 2005 work on the ROP was initiated when a broad government seminar was held on the need to introduce spatial planning.
- 2006: in 2006 a high-level spatial distribution plan ("ROP op hoofdlijnen") was made and accepted by the Council of Ministers. This plan contained a general zoning outline (i.e. urban, sub-urban, industrial, nature park areas, etc.) and was the basis for further refinement.
- 2007: in 2007 a distinction was made between a land chart and a sea chart defining coastal zones.
- 2008: in 2008 the "Concept ROP" was made available for public inquiry. A total of 22 public responses were received. Currently the public inquiry has been closed and the ROP has been finalized and it was legally endorsed by decree in May 2009.

The structure of the legislation for spatial planning is as follows:

- LRO: Landsverordening Ruimtelijke Ordening: (Ordinance on Spatial Arrangement) defining the legislative framework.
- ROP: Ruimtelijke Ordenings Plan (Spatial Arrangement Plan): outlining the purposes of specific zones (i.e. nature, commercial or living, also defining quantitative ranges such as population density per area). Once approved this plan is binding for the government. The zoning is actually defined in the “Plankaart ROP”.
- ROPV: Ruimtelijke Ordenings Plan Voorschriften (Guidelines Spatial Arrangement Plan): once approved these guidelines will be binding for citizens.

In addition, a new council has been created to preside over spatial matters: the “Raad voor Ruimtelijke Ontwikkeling” (Council for Spatial Development).

The ROP is based on growth assumptions<sup>8</sup> for the year 2015, see the table below. In coming years these assumptions need to be benchmarked and the plan may be adapted accordingly.

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<sup>8</sup> Source: “Planningsgrondslagen ROP”, 2008, “Nota ROPH”, 2008.

Table 4: Planning assumptions ROP

	<u>PAST.</u>			<u>PRESENT</u>	<u>FUTURE</u>
<b>1985- 1989</b>	<b>1990- 1994</b>	<b>1995- 1999</b>	<b>2000- 2004</b>	<b>2005- 2007/8</b>	<b>next decennium</b>
<b>Moderate annual Real GDP growth</b>					
<b>11.9%</b>	6.7%	3.9%	1.9%	<b>0.8%</b>	<b>1.0%</b>
<b>Deceleration of population growth</b>					
				<b>104,500</b>	<b>± 17,000 added</b>
<b>-0.6%</b>	4.1%	2.8%	1.9%	<b>1.8%</b>	<b>1.5%</b>
<b>Deceleration of growth in vehicle inventory</b>					
				<b>50,300</b>	<b>± 13,500 added</b>
		3.8%	3.9%	<b>2.3%</b>	<b>2.6%</b>
<b>Amount of vehicles per 1000 inhabitants</b>					
		417	457	<b>488</b>	<b>536</b>

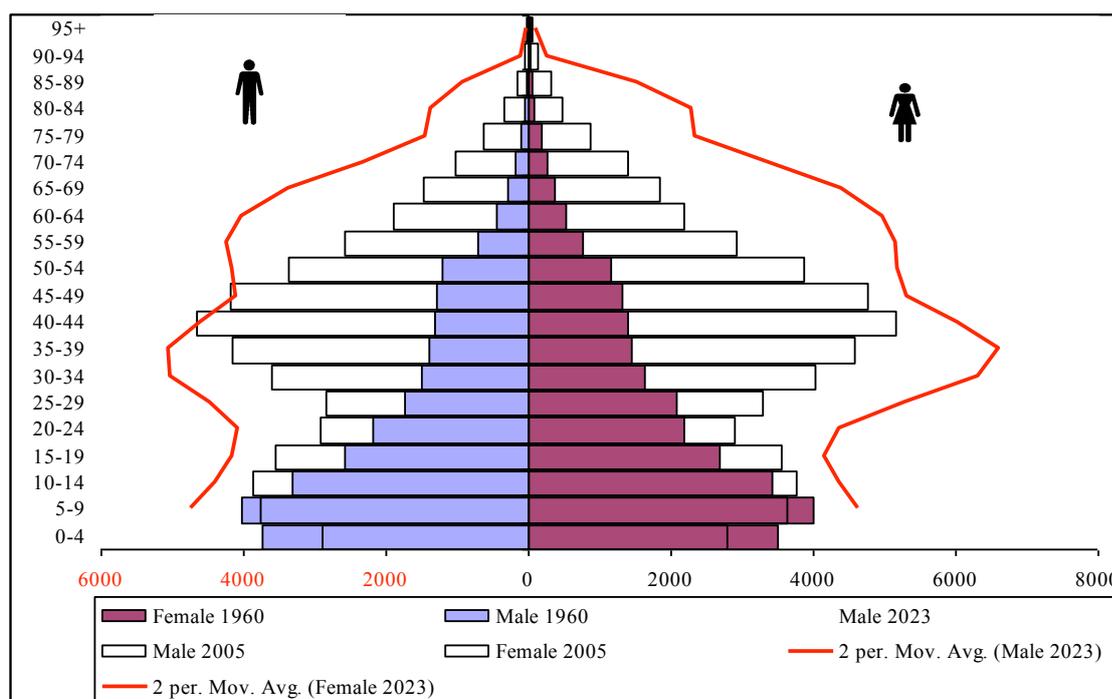
Source: ROP

## 2.2.4 Population composition and development

Aruba's population, as other communities, has a large 'baby boom' generation. Consequently, according to the Central Bureau of Statistics, the number of individuals with age 60+ in Aruba will double between now and 2025. Moreover, the number of children under age 10 in Aruba is currently lower than in the year 2000 (in absolute terms). Going forward the portion of youngsters within the population will decrease drastically.

Over the past decades Aruba has seen a dramatic increase in population size, fuelled mostly by economic migration. This has led to an increasingly challenging environment for the provision of adequate infrastructure as well as the upkeep of the institutional infrastructure, i.e. public services and social welfare provisions, which directly or indirectly affect the quality of life on Aruba. In this section we will provide an overview of the challenges faced specifically by the social welfare system. We will start by discussing what the current system actually consists of.

Table 5: Population distribution



Source: CBS Aruba

### The Social Protection System in Aruba

The social welfare system in Aruba is based on:

- a private-public partnership at the implementation level,
- social Policy definitions are in the hands of the government, with participation of line directorates such as Education, Public Health, Labor and Social Affairs,
- the social welfare system (safety net) prevailing in Aruba has many features usually found in so-called welfare-states, especially in the way public services and benefits are financed. Most of them are paid for and/or warranted by state funds,

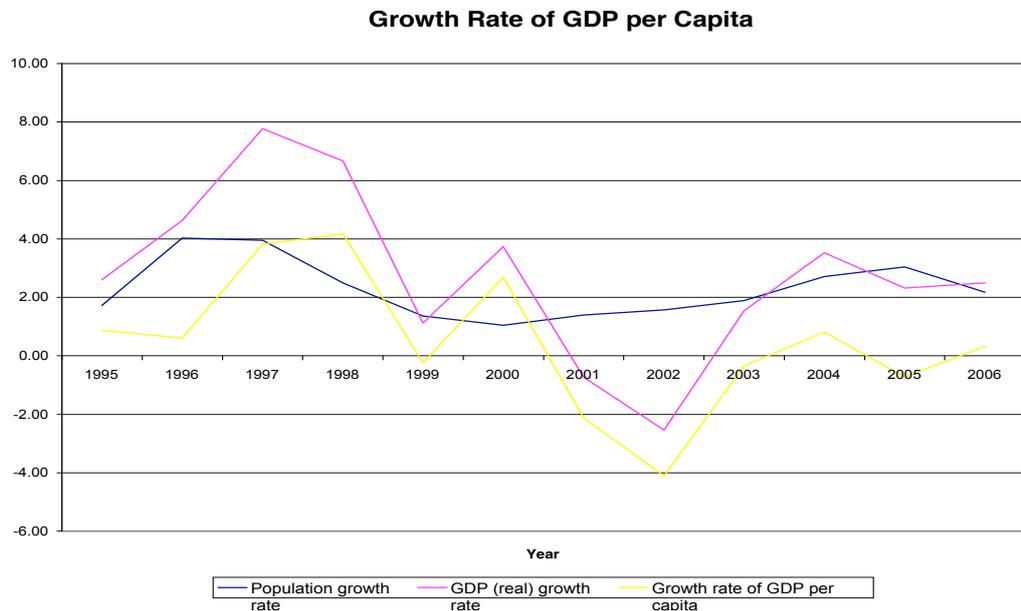
The Aruban welfare system is essentially a residual welfare system, where the state has a subsidiary role, as opposed to an institutional welfare system. Some segments are institutionalized and universally available to all residents, such as the general old age and bereavement's pensions and the curative healthcare. Also universally accessible are in principle social support services (social work, psycho-social, community work) delivered by line-ministries' directorates and publicly subsidized NGO's. Following the Dutch model, social services and care are being delivered primarily by NGOs that are mostly fully or partially subsidized through public funds. In fact, delivery of social services is perceived as a primary function of the NGO sector.

On the other hand, public assistance programs are only available after one has passed a means test. These include (relief checks) welfare, free legal services, public housing subsidy, etc. In other words, services are received only upon evidence of established financial needs and qualification for a particular program, nationality and period of residency.

### *Financial implication of social welfare expenditures*

Within this context, it is contended that the further expansion and improvement of the present standards provided by the social safety net is largely dependent on the general state of public finance and the total burden placed on the tax-payer/contributor. Concomitantly, the latter is made possible by an economic development robust enough to generate sufficient public revenues to support the present scheme.

*Graphic 2: Growth Rate of GDP per Capita*



Source: CBS Aruba

According to national accounts, Aruba enjoyed throughout the 1990's a prosperous economic period with an average annual (real) economic growth of circa five percent (5.25%). This development was driven by the expansion of the tourist industry. During this period, the nominal GDP more than doubled. In 2006, the nominal and the real GDP per capita were respectively US\$ 22.3 thousand and US\$ 16.6 thousand. This economic development caused a need to import foreign workers at such a rate that at the moment the 2000 Population and Household census was taken, just over one-third (34% or equal to 35,977 persons) of the total population in 2007, is foreign-born that had settled in Aruba since 1990.

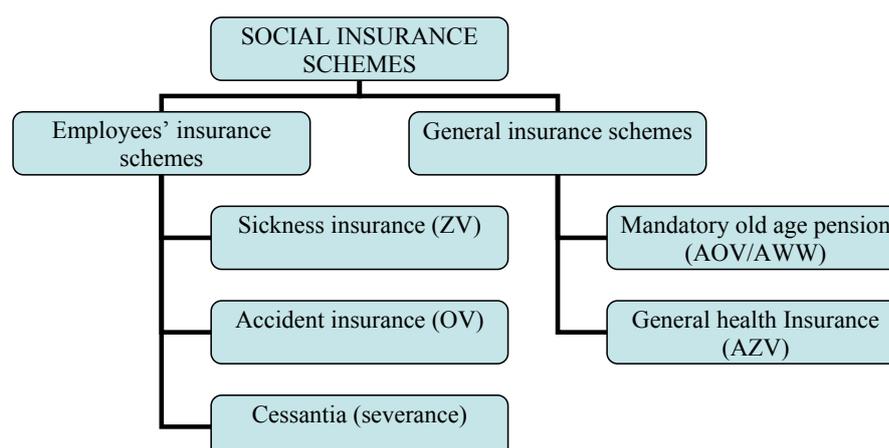
*Table 6: Types of entitlement programs by mandate, benefits and coverage*

Type of entitlement	Objective/mandate	Narrative and coverage per 2009
Compulsory not-contributory old age pensions (social security).	Provision of a safety net for (guaranteed) income in third age.	Contribution rate: Employer 9.0 %, Employee 3.5 %. Maximum entitlement: Individual: AWG. 1,057 (2009) Couple: AWG. 1,780 (2009)
Compulsory survivors'/bereavement benefits (social security).	Protection against lost of income due to the passing of a spouse or parent(s)	Contribution rate: Employer: 0.5 %, Employee: 0.5 %. Entitlement: Widow(er): AWG. 466 – 1,057 (2009) Orphan: AWG. 316 – 446 (2007)
Insurance against sickness (employees' insurance)	Protection against loss of income as result of sickness invalidity during a limited period of time.	Contribution rate: Employer 3.5-4.13 % (part time) and 3.17-4.76 % FTE), Employee 2.65 %.
Insurance against work-related disability/ employment injury benefit (employees' insurance)	Protection against loss of income as result of work-related accident.	Contribution rate: Employer 0.25-2.50 % (average, actual rate dependent on risk category of employment. Employee: 0 %.
Cessantia (Employees' insurance)	Lump-sum income-loss compensation related to loss of employment for reasons beyond employee's control	Contribution rate: Employer: AWG. 40 per year for each employee.
Universal Healthcare Insurance (Social security)	Insurance against (curative) medical costs and medications.	Contribution rate: Employer: 7.5 %, Employee: 1.6 % (as of 2009) Self-employed and pensioners: 9.5 % (pensioners contribution is partly paid for by SVB out of general old age pension fund) Maximum wage level AOV/AWW is AWG. 54,600 on a yearly basis and maximum wage level sickness insurance and old-age insurance is AWG. 54,600 on a yearly basis and AWG. 4,550 Monthly.

Source: Commission Socio-economic Structure

### *Social Insurance Schemes*

A large part of the social welfare system is formed by so called social insurance schemes. A visual model of the system and its components can be presented as follows.



For the purposes of this report the analysis and discussion will mostly centre on the insurance schemes of a general nature, as these are the ones that pose the most challenges in the Aruban context.

#### Old age pension arrangements in Aruba

Institutional setup: The pension system in Aruba presently comprises of three tiers:

- First tier : mandatory public pension scheme (AOV/AWW).
- Second tier: employer-sponsored or occupational pension plans
- Third tier : voluntary private savings arrangements

*Table 7: Aruban Pension System*

Tiers	Functions	Administrator	Financing
<i>First tier</i> AOV/AWW	Redistribution/ Savings	SVb	PAYG
<i>Second tier</i> Government pension plan	Savings/co- insurance	APFA	Fully funded/PAYG
Employer sponsored pension funds	Savings/co- insurance	Company pension funds	Regulated fully funded
Pension contracts	Savings/co- insurance	Life insurers	Fully funded
<i>Third tier</i> Private savings	Savings/co- insurance	Life insurers	Fully funded

Source: Commission Socio-economic Structure

For the purposes of this report we have limited ourselves to discussing only the first tier in the system.

#### *AOV/AWW*

The mandatory public pension scheme (AOV/AWW), which was introduced in 1960, provides a basic defined benefit pension to all residents of 60 years and older and widow and orphans benefits. Benefits depend on the number of years that the participant has contributed. The Sociale Verzekeringsbank (SVb) manages this scheme. Table 2 summarizes selected characteristics of the public AOV/AWW scheme which holds mostly the function of income redistribution between generations and, due to its partially funded nature, a residual saving function. The scheme is financed through a combination of employee and employer contributions on a pay-as you-go (PAYG) basis with a reserve fund that constitutes the partially funded aspect mentioned earlier.

*Table 8: Selected characteristics of the AOV/AWW scheme*

Characteristics	Aruba
Financing	PAYG
Retirement age	60
Contribution period for full pension	45 years
Contribution rate	13.5%
Maximum benefit couple (AWG.)	1780
Maximum benefit single (AWG.)	1057
Indexation of benefits	CPI

Source: Commission Socio-economic Structure

A reduction in the retirement age and a doubling of benefits has led to a marked increase in pensions. The eligibility age was originally 65 (1960), but was decreased first from 65 to 62 in 1975 and then from 62 to 60 in 1992. As shown in table 9 the retirement age in Aruba is amongst the lowest in the Caribbean region.

*Table 9: Comparison retirement age in the Caribbean*

Country	Retirement age	
	Women	Men
Aruba	60	60
Bahamas	65	65
Barbados	65	65
Bermuda	65	65
Jamaica	60	65
Netherlands Antilles	60	60
Trinidad & Tobago	60	60

Source: Commission Socio-economic Structure

According to a report by the International Labor Organization (ILO) issued in 2005, the current financial logic is, on the long term, in danger of violating the principle of equivalency between contributions paid and benefits received. Hence, the report recommended the government to consider introducing a component on top of the existing scheme in order to provide additional old-age pension income based on individual (additional) contributions.

Within this context, it should be noted that an important recent development has occurred. In the year 2005 the legal framework that allows the civil-workers' pension scheme to introduce a voluntary-based second-tier contributory pension program for non-civil workers, has been formalized. At present time, the majority of the workers in Aruba are not covered by a second-tier pension.

It should also be noted at this point that according to calculations made in a recent actuarial report by ILO in 2004, the Old Age Pension/survivors funds' reserves will be

exhausted by 2025 (and the Government would need to start subsidizing the fund to help cover deficits as soon as 2012) if no corrective measures are taken.

In this light, the ILO report recommended further the following steps:

- increase normal retirement from age 60 to 62;
- Individualization of the pension (it is now based on one working head of household in a conventional nuclear family);
- Increase the legal contribution rate gradually from 12.5% to 16.5%. The latter rate is based on a situation where benefit indexation is pegged to the national average wage index as opposed the presently applied consumer price index method. This is proposed in order to provide a pension pegged to the real economic development instead of purchasing power maintenance of the elderly. The same proposal has been put forward for the minimum wage and the insured wage ceiling. This would insure a coherent and relatively easily managed system of periodic adaptations to the main parameters.

The growing imbalance in solidarity is evident both for the old-age pension and the universal healthcare scheme. This pattern is worrisome considering the tourist-based economy is producing mostly relatively low value-added jobs. Many of these jobs, particularly occupied by women, are concentrated at or around the minimum wage level.

In the national healthcare insurance scheme it has been estimated that almost six out of every 10 economic active residents were net beneficiaries in 2005. This means that the remaining 4 were net contributors to the scheme. In terms of the old age pension's program, about half of the workers would receive more benefits than they contributed to the funds, therefore requiring some solidarity. This situation is the reverse of what one would expect as a situation where 60% helps pay for the remaining 40% is deemed an adequate solidarity support ratio.

#### *National Healthcare Insurance (AZV):*

The universal national healthcare insurance scheme (AZV) was introduced in 2001. This scheme applies a flat rate irrespective of age or health condition. The scheme covers a basic package of mostly curative medical and paramedical services and benefits, medications and aids. Long-term care is financed mainly through public subsidies.

*Table 10: Mix of Financing Mechanisms and Health Services in Aruba*

SERVICES-ACTIVITIES	FINANCING
Public health- disease control, health promotion	Taxes
Ambulatory care – preventive and curative	Taxes, Univ. health insurance, Out of pocket
Hospital care	Univ. health insurance, Complementary private health insurance
Institutional long-term care	Taxes and Out of pocket
Drugs and diagnostics	Universal health insurance, Complementary private health insurance, Out of pocket
Research and training	Taxes, Grants, Out of pocket

Source: Commission Socio-economic Structure

In all, the proportion covered by public revenues of the total AZV's costs during the period of 2001-2006, reached a high of 62.5% in the year 2002 and a low of 34.7% in the

year 2006. This occurred through recurrent annual grants and respective supplementary budgetary support to cover the program's deficit. It aims to be a self-supporting and risk spreading scheme, but is being financed through general tax revenues, grants and contributory solidarity. It is therefore, contended to be a quasi-insurance scheme.

According to the data of the National Health Account 2001-2004, the total healthcare expenditure per capita in 2004 was US\$ 1,914. In comparison, Spain's per capita healthcare expenditure was US\$1,556 in 2001, while the same figure for the United States was a whopping US\$ 5,267 in 2002. In economic terms, the General Government on Aruba (in the case of Aruba this is the Central Government and AZV) spent an estimated 8.1% of the GDP in 2008 on health care. OECD countries in 2002 spent an average of 8.5% on health care while countries of the European Union spent 6.4% of GDP in 2004 on health care, with France outspending the remainder with 7.3%, while Cyprus spent the least on health care with 2.9% of its GDP. Champion in health care spending (probably worldwide) remains the United States with 15% of its 2003 GDP being dedicated to health care.

While the level of health care spending by the General Government is relatively high it has also seen a relatively stable position in percentages of GDP since its inception in 2001, oscillating between a peak of 9.1% of GDP in 2002 to an estimated preliminary low of 8.1% in 2008. These percentages are however projected, all else equal, to rise in the immediate future impacted by a number of factors, both internal as well as external. First among these is the increasing proportion of elderly in the population. This is a phenomenon impacting Aruba as well as other more developed countries. In practical terms this means two consequences:

- An augmenting need for health care provisions for conditions specifically associated with older age
- An increasingly challenging funding environment as an increased proportion of retirees (and therefore a proportionally smaller economically active population) means a smaller funding base for health care

The second major factor on the cost of health care is the increased availability of new technology, particularly in the areas of screening, diagnosis, information analysis and treatment, including expensive new drugs and equipment. A further emphasis on health technology assessment in view of limiting costs as well as the development of systems of prioritization and rationing seems inevitable.

Some important advantages of the AZV scheme include:

- broad non-contributory coverage,
- more transparency in terms of healthcare expenditures,
- enhanced accessibility to healthcare by the needy, foreigners and the elderly,
- more targeted funds for healthcare,
- provides (in principle) a mechanism for cost control,
- more choices for the patients and better incentives for the providers of healthcare.

All healthcare systems have to deal with the fundamental issue that while the need for health may be universal (we assume here for simplicity's sake that no one enjoys being sick), healthcare needs are involuntary, unequally distributed and highly idiosyncratic. This means that in the daily practice one is dealing with a diverse set of uncertainties and risks that defy standardization. Under these circumstances a full market system would not

yield the results society would want as the transaction cost levels would be exorbitantly high. One only need look at the North-American example. On the other hand a fully planned system such as the United Kingdom's National Health System cannot cope with the complexity associated with health care needs. A proper balance would need to be struck between the two extremes. In principle the current AZV should provide a proper vehicle if it were not for the difficulties it faces in practice due to various reasons related to governance structures and adversely functioning motivational mechanisms of all participants (insurer, care providers and care receivers).

To conclude, it is contended that there is a pressing need to critically evaluate and adapt the present schemes to the present economic structure and demographic developments in order to maintain the present level of coverage and quality of services and benefits rendered.

### **2.2.5 Quality of Life**

A balanced socio-economic development implies both monetary and subjective well-being. Besides the basic needs of food, shelter, health, safety and need for freedom; the need to belong, aspire and progress are deemed important aspects of one's welfare and perception of well-being. The concept of quality of life is used for measuring welfare development in a society. It has been widely recognized for some time now that wealth or lacks of income are not accurate measurements of quality of life or welfare. Quoting Furnatt-Kloep<sup>9</sup>: "A growing economy as measured by GDP/GNP may go along with growing misery, worsening working conditions and reduced access to basic services and social security."

The multidimensional concept of quality of life includes besides material aspects such as income and housing, such immaterial aspects as health, education, social relations and natural environment. It also encompasses the subjective perception of living conditions and people's subjective well-being in terms of personal satisfaction and happiness.<sup>10</sup>

#### *Measures of inequality:*

An egalitarian development, which is solidarity-based and characterized by social cohesion, needs to be promoted. Simply stated, social inequality is a disparity between and within social groups in i.e. basic needs, deemed unfair, preventable and predictable.

Why measure inequality? We assert that unwarranted social disparities adversely impact balanced socioeconomic development and concomitantly the quality of life. While not easy to ascertain, there are several measures applied to establish inequality. These include the Lorenz curve, Gini Coefficient, Decile, - and the Wage Dispersion Ratio and share of expenditure/income of the poorest x%. Next we will present the case of Aruba for some of these measures.

#### *Findings:*

Despite Aruba's notable increases in GDP and employment over the last two decades, the distribution of national wealth between social groups has not improved accordingly. On one hand, Aruba scores relatively high on aggregated developmental indexes and economic indicators. An illustration of this is that Aruba enjoyed the second highest

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<sup>9</sup> Furnatt-Kloet Ernst Fidel

<sup>10</sup> Noll, Herbert.p. 10

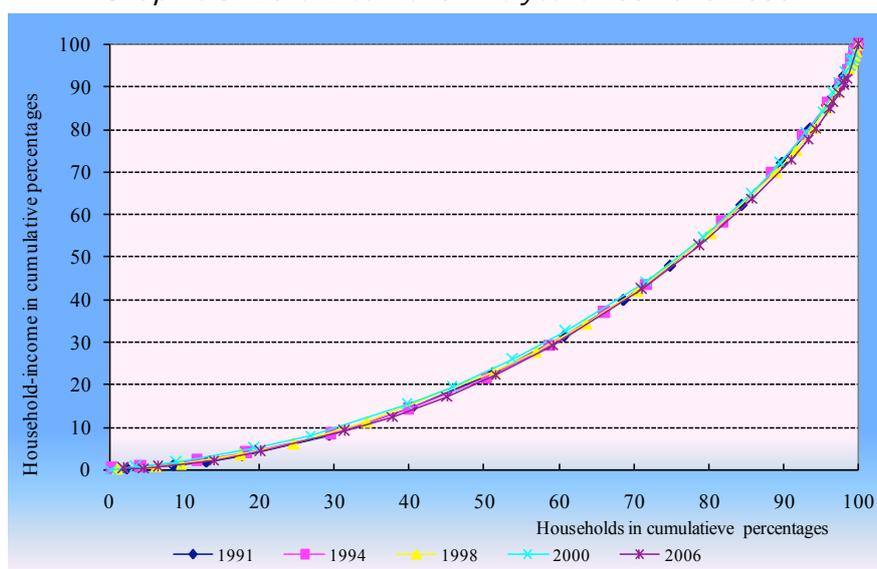
Human Development Index (HDI)<sup>11</sup> of the region after Barbados both in the year 2007 (0.878)<sup>12</sup> and the year 1997 (0.907).<sup>13</sup>

On the other hand, serious gaps have been ascertained between population subgroups in terms of income, education, employment, and health. Aruba also lagged in some pertinent social indicators when compared internationally. We further encountered ample evidence of wastage partly due to problems in the implementation of the various schemes in place, such as the education system.

### *Lorenz-curve*

The graph below shows that the distribution of wealth across the different income categories followed the same trend in the years under review. This pattern persists throughout the 21<sup>st</sup> century according to the results of the Income and Expenditures Survey of 2006<sup>14</sup>.

*Graphic 3: Lorenz curve for the years 1991 and 2000*



Source: CBS Aruba

The top ten (employed) populations earned in the years 1991 through 2006 respectively 30% and 28% of the total national income. On the other hand, the lowest ten percent earned just about 1.2% in the years 1991 through 2006. 0.9% of the relative generated national income as constructed by the Lorenz curve.

### *Gini-coefficient:*

Another measure of inequality, the Gini coefficient,<sup>15</sup> based on the respective Income and Expenditures surveys conducted recently, indicates that the distribution of income remain

<sup>11</sup> The HDI index is based on three indicators: (longevity as measured by life expectancy at birth, (2) educational attainment as measured by a combination of adult literacy and compounded primary, secondary and tertiary enrolment and (3) standard of living as operationalized by GDP per capita (PPP\$).

<sup>12</sup> Dirks, Ben, Human Development in Aruba, p. 41

<sup>13</sup> Torche, A. Construcción de un sistema de indicadores de manejo social, Project ARU/95/03: Development of a Social Welfare Analysis and Planning System, 1997, Oranjestad

<sup>14</sup> Central Bureau of Statistics Aruba, (2008) Income and Expenditures Survey 2006: selected tables: selected tables, p. 9. Aruba

<sup>15</sup> A Gini coefficient of zero means that income is equally shared by all households. A Gini value of one indicates a completely lopsided distribution of income, or one single household receiving all the national income. Thus, the higher the value, the more unequal the income is distributed in a given society.

relatively stable over the years ranging from 0.38 in the year 1993, 0.40 in the years 2000 and 2006 and 0.41 in the years 1991, 1994 and 1998. Some of the countries with the best Gini coefficients<sup>16</sup> are Denmark with a value of 0.247, Japan (0.249) and Ireland (0.250). Among the most unequal countries in our hemisphere are Bolivia (0.601), Colombia (0.586) and Panama (0.561). Aruba's income distribution compares to that of the United States (0.408) and Trinidad and Tobago (0.389).

### *(Wage) Dispersion Ratio*

The Dispersion Ratio measures the distance between the poorest 10% and the richest 10% (d9/d1) of the group of the average income or consumption distribution. The dispersion ratio in 2006 was 4.94. In other words, the richest ten percent of the population earned on average almost five times more than the group at the 10<sup>th</sup> percentile in Aruba at that time. In comparison, the dispersion ratio in 1996 (for men) was circa 4.4 in the United States, 3.3 in United Kingdom and 2.2 in West Germany.<sup>17</sup> With regard to the distribution by expenditures in Aruba, the dispersion in 2006 was 4.87.

In establishing wage inequality, the Wage Dispersion Ratio is applied.<sup>18</sup> By detailing the difference between the average income of the top deciles or lower deciles with the median income, we indicate the extent of wage inequality in a specific population. Row 5 and 6 of the table below split the rise in overall dispersion in two parts, namely a lower part (d5/d1) and a higher part (d9/d1) and row 4 depict the total wage dispersion ratio.

The wage inequality more than doubled between the year 1993 and the year 2006 from 2.24 to 4.94. When divided, we note that the lower half (d5/d1) accounts for the observed increase of the rise in earning inequality overall, indicating a significant increase in wage inequality as a result of deterioration in the lowest wages.

*Table 11: Average personal monthly income from employment by percentile and wage dispersion ratio by year*

	Nominal % Change 1993 - 2006			
	1993	1998	2006	
<b>50<sup>th</sup> percentile</b>	1,714	2,000	2,200	28%
<b>10<sup>th</sup> percentile</b>	873	1,100	995	26%
<b>90<sup>th</sup> percentile</b>	3,833	4,218	4,917	28%
<b>d9/1</b>	2.24	3.83	4.94	121%
<b>d5/d1</b>	1.96	1.81	2.21	13%
<b>d9/d5</b>	2.24	2.11	2.24	0%

Source: CBS Aruba

Further is found that there is a notable disparity between the average wages of men and women. Based on the last Income and Household Survey, the women's wages is about 73% (.0734) of males' wages. To place this in perspective we note that in European

<sup>16</sup> United Nations, Human Development Report 2007/2008, 2009, New York. Available at <http://hdr.undp.org/en/reports/global/hdr2007-2008/>

<sup>17</sup> Siebert, Horst, Commentary: Economic Consequences of Income Inequality, p. 266, 1998. Available at: <http://www.kc.frb.org/PUBLICAT/SYMPOS/1998/S98siebert.pdf>

<sup>18</sup> Wages at the 9<sup>th</sup> decile divided by the median (d9/d5) and wages at the median divided by the 1<sup>st</sup> deciles (d5/d1)

countries the average ratio is registered around 0.75 or 75%.<sup>19</sup> As ILO put it in its recent Global Wage Report, the fact that it is a taken that wage compensation needs to reflect workers' contribution and performance, which show individual variations, wage inequality is inherent to economic reality. But too much inequality may not be deemed acceptable on moral, social or political grounds.<sup>20</sup> The ILO claims further in its above-mentioned report that higher crime rate, worse public health outcomes and lower educational achievements are examples of economic (and social) costs associated with higher inequality

#### *Purchasing Power:*

From table 11 we learn that the average personal income of the employed population ranked in the lower 10<sup>th</sup> percentile actually decreased from AWG. 1,100 in 1998 to AWG. 995 in the year 2006. With control applied for inflation we found that the purchasing power of the lower 10<sup>th</sup> dropped with 28.5% and that of the 20<sup>th</sup> percentile was tallied at respectively -17.3% during the same period.<sup>21</sup>

While purchasing power of the subgroups on the other end of the pendulum was also adversely affected by inflation during the same period, the drop was in comparison significantly less. The 80<sup>th</sup> percentile suffered a decline of 11.9% and those classified in the 90<sup>th</sup> percentile absorbed a 7.8% loss in purchasing power in the period between the last two Income and Expenditure Surveys administered by the Central Bureau of Statistics. The above findings suggest a worsening of the objective living conditions of the lower 20<sup>th</sup> percentile and rising wage inequality in Aruba.

#### *Relative Poverty Line*

Against this background we attempt to assess the group deemed indigent in our society. The concept of absolute poverty as applied by United Nations (average income of under one US Dollar per day) is not applicable for the Aruban situation. A more applicable concept for the Aruba case is relative poverty.

*Table 12: Absolute and relative share of households under respective relative poverty lines (2006)*

<b>Relative Poverty Line</b>	<b>Relative</b>	<b>Total households* below poverty line</b>	<b>Minimum wage</b>
<b>AWG. 1,320 (60% of median income)</b>	15.2%	4,724	1,360
AWG. 1,540 (70% of median income)	19.7%	6,122	1,360
AWG. 1,100 (50% of median income)	12.5%	3,884	1,360

Source: CBS Aruba, 2006 Household Income and Expenditures' Survey (IHHS)

\* Total estimated households at the time the 2006 IHHS was 31.076

There are different methodologies used to establish poverty lines. In this present paper we chose to apply a normative indicator of relative poverty. For example, OECD countries consider "poor" those earning less than 60% of the median income. Nevertheless, poverty encompasses more than the monetary dimension and people can have multiple disadvantages in one of more areas, such as basic needs, social relations and financial situation. Furthermore, a proportion of people above the relative poverty line cannot meet some basic needs while the standard of living of some individuals under the poverty line

<sup>19</sup> International Labor Office, Global Wage Report 2009/09: Minimum Wages and Collective Bargaining towards Policy Coherence, p.29, 2008, Geneva.

<sup>20</sup> Ibid, p.23.

<sup>21</sup> CBS Aruba, Income and Expenditure Survey 2006: Selected Tables, p. 7, 2008, Oranjestad.

are positively affected by their assets such as homes, productive land and stocks, job security and a strong informal network.<sup>22</sup>

Based on the last Income and Expenditures Survey (2006), the median income was established at AWG. 2,200. The relative poverty line of 60% of the median income equals AWG. 1,320. We should note that the minimum wage at the time of the concerned survey was AWG. 1,360. The number of households with an income below the 60% poverty line in 2006 totaled 4,724 or 15.2% of all households. If we take the 70% and 50% thresholds, we found that 19.7% and 12.5% of all households would be considered indigent.

There is also evidence of notable inequality in health status when controlling for education. Similarly in the labor force we encountered important gaps between subgroups in terms of i.e. (un)employment, income, etc. Next follows a concise exposition of the different sectors and relevant (social) indicators reviewed in this work.

## EDUCATION

We will present next some indicators and measures pertaining to education attainment and performance. Aruba enjoys a relatively high literacy rate and a high primary and secondary enrolment rate. The illiteracy rate in Aruba is very low (2.7%). Even under the population age of 65 and over, only about 11% is considered illiterate and illiteracy at the younger age groups was almost non-existent, according to the 2000-Census data. The net enrolment rate for the year 2007 at the primary education level was reported as 100% and that of the secondary level was 82%.<sup>23</sup> Furthermore, the gender parity index is favorable at all levels. More so, there are far more females than males enrolled at the tertiary education level. For every male enrolled, there are 1.57 females, which raise concern regarding the participation of males at the tertiary education level.<sup>24</sup> All in all, the indicators presented above portray so far a positive development in education. Further analysis shows that a somewhat higher percentage of the economic active group has completed a secondary education (44%). Interestingly, the proportion of the reference group without a secondary school's diploma decreases with age and even reversed for the 55-64 age-category.

Nevertheless, there are important challenges identified in the education system that may hinder a real and equitable development and the welfare of the Aruban society.

From the table below we learned that four out of every ten persons between the ages of 15 and 65 (and not attending school) had an education level equal to or less than primary school. Even more bothersome is the finding that more than one-third (37%) of the population between the ages of 15 and 24 and 29% of those in the 25-34 age group did not complete an education beyond the primary school level. Circa 17% of the population of the economically active age group (15-64) has completed a post-secondary education at the associate (MBO), Bachelor (HBO) and University (WO) levels.

Interesting is to establish what role, if any, did the recent migration influx have in the observed level of educational attainment. In this context, we found that the immigrants from developing countries had in the year 2000, compared to the population born in Aruba, a somewhat lower education level at all age groups between age 14 and 64. On the other hand, those of developed countries had attained consistently a higher level of

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<sup>22</sup> Commission of the European communities, Draft Report of Social Exclusion, p, 13.

<sup>23</sup> UNESCO, Institute for Statistics, Global Rankings, available on-line at:

[http://stats.uis.unesco.org/unesco/TableViewer/document.aspx?ReportId=125&IF\\_Language=eng&BR\\_Fact=NERST&BR\\_Region=40520](http://stats.uis.unesco.org/unesco/TableViewer/document.aspx?ReportId=125&IF_Language=eng&BR_Fact=NERST&BR_Region=40520)

<sup>24</sup> United Nations, UN Statistics Division, Millennium Development Goals Indicators, retrieved from: <http://mdgs.un.org/unsd/mdg/SeriesDetail.aspx?srid=614&crd=>

education.<sup>25</sup> Available data do not support the thesis that the recent migrants had a significant adverse impact on the national level of education attainment.

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<sup>25</sup> CBS Aruba, *Onderwijs op Aruba: Context en Output*, p. 80, 2003, Aruba

*Table 13: Level of education attainment by age-category among non-school going by percentage (2000-Census)*

Level of education completed	15-24	25-34	35-44	45-54	55-64	Total
Primary or less	37%	29%	33%	45%	62%	39%
Secondary	53%	50%	39%	49%	25%	44%

Source: CBS Aruba

The share of the non-school attending population between ages 20 through 24 who completed secondary education was 54% in the year 2000. In the European Union, the average rate of educational attainment at the secondary level in the 20-24 age-groups was 76.4% for females and 73.5% for males in the year 2008. The goal in EU is to reach a rate of 85% under the population age 22 and older by the year 2010.

Against this background we contend that notwithstanding its education system's universal character and relatively high level of costs, Aruba lags seriously behind in terms of educational performance or output at the primary and secondary educational levels.

#### *Performance and Efficiency in Education:*

These findings prompted us to review the issue of expenditures (input) in education compared to efficiency (outcome). The public expenditures which include current and capital expenditures as well as compensation of employees, social contribution and benefits as a percentage of the (nominal) GDP have ranged between 5% and 3.9% in the 1998-2008 periods. As proportion of the Government's total spending, educational expenditures decreased slowly over the years whereby education represented respectively 19.6% in the fiscal year 1998, 18.8% in 2002, 17.7% in 2005, 17.7% in 2007 and 17.5% in 2008.<sup>26</sup> This amount equals 23% of the fiscal budget of 2009. With reference to the year 2007, the share of the public expenditures allocated to education was lower than for example Cuba (20.6%) and Chile (18.2%), but higher than British Virgin Islands (14.6%) and Colombia (12.6%).<sup>27</sup> The Government expenditures in education per student have witnessed a growing trend in recent years. The average expenditure per student increased from AWG.7,201 in 1999 to AWG. 8,446 in the year 2007. This shows an increment of 17.3%.<sup>28</sup> It is observed that while the public expenditure per student was relatively high, its increment lagged behind the inflation over the same period, though.

While the participation rate at both the primary and secondary levels is high, the participation rate and education at the tertiary level (MBO/HBO/Bachelor and WO/Master and post-graduate) presents a different picture, though. The International Standard Classification of Education (ISCED) differentiates three levels of tertiary education.<sup>29</sup> Firstly, level 5A comprising academically oriented programs leading at the minimum to a degree and have minimum duration of three years. Secondly, level 5B comprising occupationally-oriented, short-cycle training programs at the associate degree level with a

<sup>26</sup> CBS Aruba, General Government Sector of Aruba: 1998-2007, 2006, Aruba.

<sup>27</sup> UNESCO, Institute of Statistics, Global Rankings. Available on-line

//stats.uis.unesco.org/unesco/TableViewer/document.aspx?ReportId=125&IF\_Language=eng&BR\_Fact=EEGE&BR\_Region=40520

<sup>28</sup> CBS Aruba, Statistical Yearbook 2008, p.40, 2009, Aruba

<sup>29</sup> UNESCO, Tertiary Education in Small States: Development Trends and Policy, p3, 2009. Retrieved from [http://www.iiep.unesco.org/fileadmin/user\\_upload/Pol\\_Forum\\_09/Bray\\_Martin\\_Trends.pdf](http://www.iiep.unesco.org/fileadmin/user_upload/Pol_Forum_09/Bray_Martin_Trends.pdf)

minimum duration of two years and. thirdly, level 6 for post-graduate level such as PHD and doctorate.

When the 2000 Population and Household Census was conducted, merely 8% of the total population had attained a college/university level (ISCED 5B) or University and post-graduate degree (ISCED 6). Regarding to the Aruban-born citizens, 7% compared to 5.2% in 1991, was tallied having completed an education at this level (ISCED 5B and 6).<sup>30</sup> Including those with an associate degree, this proportion of the Aruban population with a completed tertiary education in the year 2000 was circa 17%.<sup>31</sup> Against this background it is noted that the global enrolment rate for tertiary education incremented from 18% in 1999 to 25% in 2006.<sup>32</sup>

*Table 14: Gross Enrolment Rate (GER) for tertiary education by regions (2005) and Aruba (2000)<sup>33</sup>*

REGION	Less than 15%	15.1% -30%	30.1% - 45%	45.1% -65%	Above 65%
Latin American & the Caribbean	Trinidad & Tob. Netherl. Antilles Honduras	Aruba. Mexico, Costa Rica, Colombia Brazil Venezuela Cuba Jamaica	Panama Barbados Uruguay Chile, Bolivia	Argentina	
North America & Western Europe	Luxemburg	Cyprus Malta	Switzerland	Ireland, Italy. UK Netherlands, Austria, France Belgium, Israel, Spain, Canada	Norway Sweden United States
East Asia and the Pacific	Vietnam, China, Indonesia	Malaysia Brunei Darussalam	Philippines Thailand	Japan Macao (China) Australia	New Zealand Rep. of Korea

Source: UNESCO

We ascertained an important discrepancy at this level of education compared to countries in the region. In terms of enrolment rate, there are countries that equate or greatly surpassed us despite the fact that they have a GDP per capita notably lower than the one Aruba enjoys. For instance we have allocated approximately 5% of the GDP to education in the year 2007, as opposed to Colombia (4.9%), Chile (3.4%) and Costa Rica (4.9%).<sup>34</sup>

This outcome is judged low considering the high enrolment rate at secondary level, on one hand, and the universal access in Aruba to student loan to pursue an advanced degree, on the other hand. While not included among the lower bracket in this regard in the region, it lagged significantly behind such island states as Barbados (53% in 2006) and British Virgin Islands (75% in 2006). Thus, it is concluded that universal access to primary and secondary education, reflected by relatively high enrolment rates at respective education levels, did not lead to higher enrolment rate at the tertiary level.

<sup>30</sup> CBS Aruba, Onderwijs op Aruba: Context en Output, p. 13, 2003, Aruba

<sup>31</sup> UNESCO, Ibid, p. 8.

<sup>32</sup> UNESCO, Tertiary Education in Small States: Development Trends and Policy, p. 7, 2009. Retrieved from [http://www.iiep.unesco.org/fileadmin/user\\_upload/Pol\\_Forum\\_09/Bray\\_Martin\\_Trends.pdf](http://www.iiep.unesco.org/fileadmin/user_upload/Pol_Forum_09/Bray_Martin_Trends.pdf)

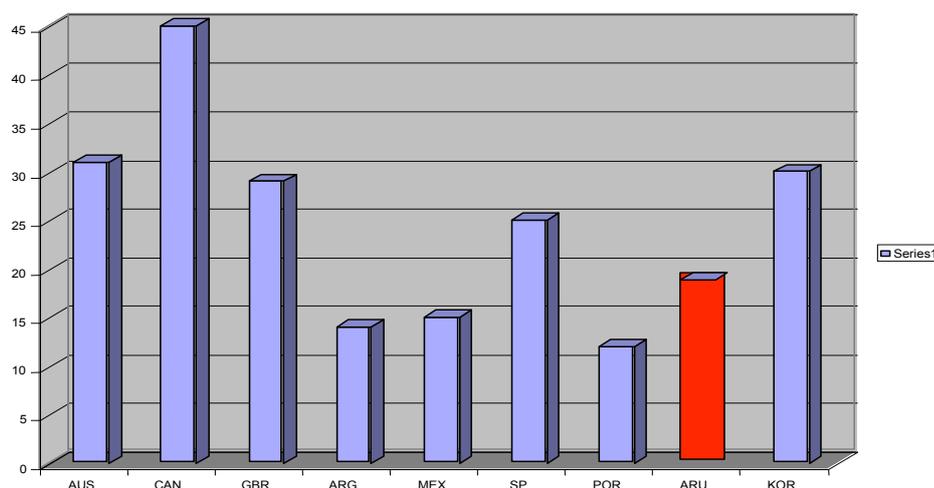
<sup>33</sup> UNESCO, Global Monitoring Report 2003/4. Retrieved from [http://portal.unesco.org/education/en/ev.php-URL\\_ID=24148&URL\\_DO=DO\\_TOPIC&URL\\_SECTION=201.html](http://portal.unesco.org/education/en/ev.php-URL_ID=24148&URL_DO=DO_TOPIC&URL_SECTION=201.html)

<sup>34</sup> UNESCO, Institute of Statistics, Global Rankings,

In comparison, in Canada circa 45% of its population in the 25-64 age-category has completed a higher education and Mexico was about 15% in 2005. In the case of Aruba around 15% of this age-group (not attending school) completed tertiary education. However, it is noted that we identified a positive trend in terms of proportion of the Aruban-born population age 25-64 who attained a bachelor degree or higher in 2000 (7.0%) compared to 5.2% in the year 1991.

This fact only translated into a considerable economic loss later on as these students would enter the labor force at least one year later than projected. It also exerts strain on the existent infrastructures and resources. For instance, if the size of an average classroom at the primary school level is established at 25 students (N=9096), this result require investing both material and human resources to maintain circa 364 classrooms.

*Graphic 4: Proportion of the population age 25-64 with a completed tertiary educational level by country (2005) and Aruba (2000)*



Source: UNESCO & CBS Aruba

Another performance indicator is that of the graduation rate at the secondary educational level. The results for the 2006-2007 academic years at the secondary school level indicate

also notable waste of human capital and resources. If a 75% graduation rate is taken as a threshold, which is considered rather pessimistic, then the average graduation rate of only the seniors at the MAVO-schools surpassed it (78%). Likewise, the case at primary level, the issue of over-aged students at the secondary level aggravates the matter further.

*Table 15: Graduation rate over the 2006/2007 academic year at the secondary level and associate degree level by school type and sex (N= 1,630)*

Type of school	Male %	Female %	TOTAL %
MAVO	82	76	78
HAVO	56	55	56
VWO	55	56	56
N= 1,073			
EPB (average of all sections)	69	71	70
N= 206			
EPI-Section Science and Technology	62	69	63
EPI-Section Economy	48	44	45
EPI-Hospitality & Tourism	72	73	73
EPI-Healthcare and Social Services	86	63	65
EPI- Total	63	57	60
N= 351			

Source: Directie Onderwijs, Enseñanza na Aruba 2007-2008: Relato Estadística

We assert that the ascertained output and efficiency of the present education system warrants focused attention as it has important repercussions for the labor market and the personal and social development. This development negatively affects the available pool of skilled workers, and consequently, may prove to be an obstacle for improving productivity. For the improvement of economic productivity as a means to spur economic growth, systematic interventions in the field of continuing education and training become essential. Moreover, the relatively high proportion of the younger age-groups (15-24; 25-34) non-attending school having completed only a primary education level implies important wastage of human capital.

## HEALTH

In this segment we will review briefly the health status and health outcomes as well as risk factors, social determinants of health and conditions that affect health and disease, as they relate to quality of life. The World Health Organization (WHO) asserts that the state of health of a country is a mere result of socioeconomic determinants. The health and disease patterns of a society evolve in different ways as a consequence of demographic, technological, cultural, environmental and biological changes.

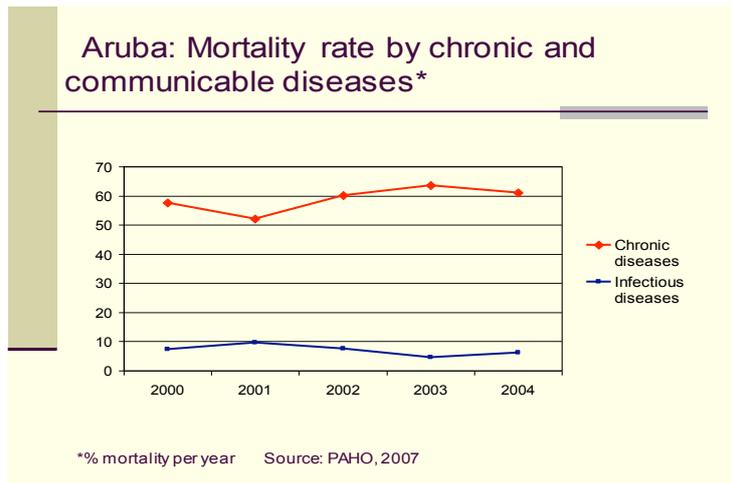
The co-morbidity<sup>35</sup> and mortality in Aruba resemble those of developed nations. Epidemiological transition, or the shift observed in recent years from chronic non-communicable diseases as the primary causes of death as opposed to infectious and deficiency diseases, is also evident in Aruba. Furthermore, due to relatively low mortality rate and low fertility rate in the last few decades, the population is ageing. The growing number of older adults will be exposed to (degenerative) diseases that characteristically affect elderly people, such as cancer, cardiovascular disease and diabetes causing the

<sup>35</sup> Co-morbidity refers to the presence of different medical conditions in the same person.

absolute number of cases and deaths from aforementioned diseases increasing notably with the concerned demographic transition. At this point it is noted that the proportion of the concerned population self-reporting a state of bad health, jumped from about 7% in the 2001 to 20% in 2007.

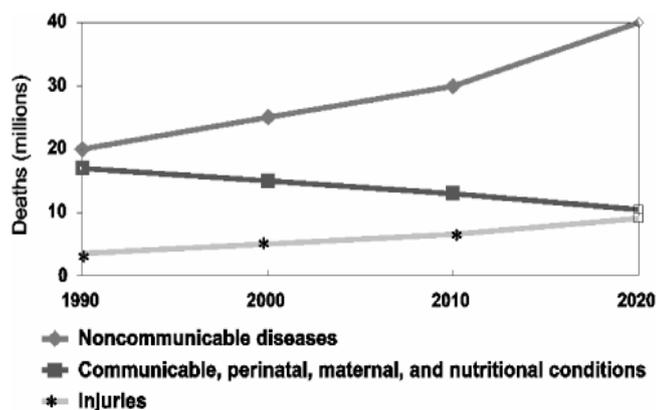
Comparing the data in the two graphs presented below, we ascertained an alarming development regarding the health and disease patterns. Particularly worrisome is the fact that prevalence of non-communicable (chronic) diseases in Aruba was notably higher in the year 2000 (circa 60%) than the projected prevalence for the OECD countries in 2020 (40%).

*Graphic 5: Aruba mortality rate by chronic and communicable diseases*



*Graphic 6: Mortality trend OECD*

### Chronic disease: Mortality trend OECD



Source: OECD, Health at Glance, 2007

Another bothersome trend in healthcare is the recent observed jump in infant mortality rate. According to data in graph titled 'Aruba: Infant Mortality Rate' (IMR), this rate

soared from around 6 per thousand in 2006 to circa 15 per thousand life births in the year 2007, and this rising pattern persisted with a marginal increment in 2008. Based on WHO's estimates for the year 2006<sup>36</sup>, we compare Aruba's IMR to the following countries in the region: Venezuela's IMR approached 18, Saint Lucia: 12, Jamaica: 26, Colombia: 17, Barbados: 11, Haiti: 60 and United States: 4. the infant mortality rate in Holland in the year 2006 approximated 4 per thousand life births. It should be noted that the notably lower IMR observed before the year 2007 could be a result of incomplete data gathering methods in early years. Notwithstanding, an IMR of around over 15 per thousand life births is deemed too high for Aruba and this development needs to be closely monitored as industrialized nations have surpassed that stage since the 1980's.

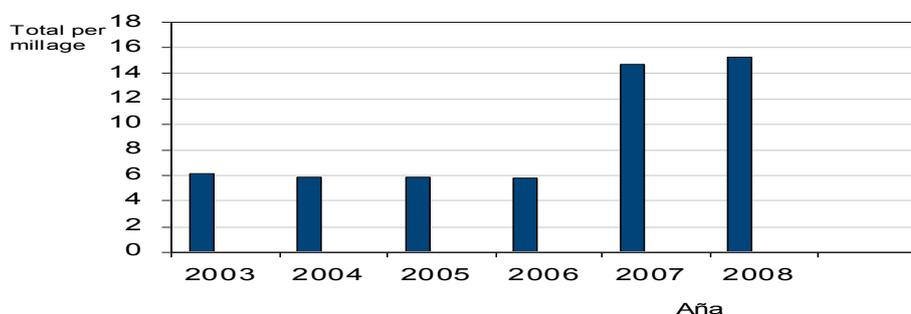
*Table 16: Estimated Infant Mortality Rates (IMR) from 1960 to 2006 by UNICEF regions<sup>37</sup>*

REGION	1960	1970	1980	1990	1995	2000	2006
Industrialized countries	32	21	13	9	7	6	5
Developing countries	140	108	86	70	66	60	54
Least developed countries	168	149	128	113	106	98	90
World	120	96	77	64	60	55	49

Source: UNICEF, WHO, the World Bank, UNDESA Population Division, 2007

### *Graphic 7: Infant Mortality*

#### **Aruba: Infant Mortality (per millage)**



Source: US Census Bureau

<sup>36</sup> WHO, Core Health Indicators, available on-line at: [http://apps.who.int/whosis/database/core/core\\_select\\_process.cfm?strISO3\\_select=ALL&strIndicator\\_select=MortInfantBoth&intYear\\_select=latest&language=english](http://apps.who.int/whosis/database/core/core_select_process.cfm?strISO3_select=ALL&strIndicator_select=MortInfantBoth&intYear_select=latest&language=english)

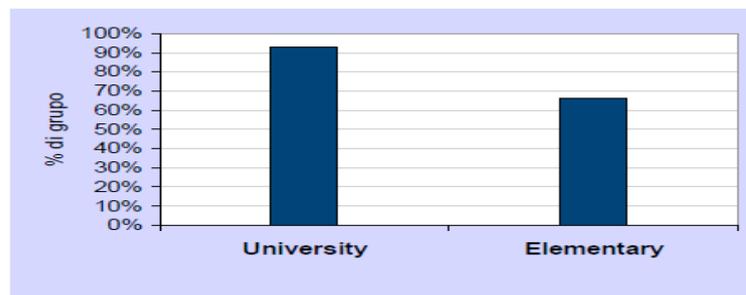
<sup>37</sup> United Nations, Level and Trends of Child Mortality 2007, p.32, 2007. Retrieved from internet at: [http://www.childinfo.org/files/infant\\_child\\_mortality\\_2006.pdf](http://www.childinfo.org/files/infant_child_mortality_2006.pdf)

On the other end of the spectrum, we refer next to another unexpected adverse trend. The 2000 Population and Household Census showed that the life-expectancy of both men and women dropped with one year to respectively 70 and 75 compared to the 1991 census data. It was expected to continue to grow in the same trend as i.e. the islands of the Netherlands Antilles and other nations in the region. Moreover, according to available data, the life-expectancy at birth in Aruba is projected to have decreased even further since the year 2000. We note that every year lost in life-expectancy translates into a substantial investment in public health to recover.

Arrango<sup>38</sup> found evidence of health inequities, or unfair and preventable differences, in health stemming from socio-economic status (education, household income, and occupation), geographic location and sex. For instance, they learned that sub-groups with a lower socio-economic status and a limited education experience relatively worse health (see next graph). The latter is consistent with the health phenomenon of social gradient articulated by Marmot where he established that with few exceptions, evidences show that lower socioeconomic status lead to worse health within a specific country and even city.<sup>39</sup> We maintain that reversing these trends warrant the highest policy priority as these arguably negatively affect the individual well-being and the societal welfare.

*Graphic 8: Inequity in health by level of education*

### Aruba: Inequity in health by level of education



Source: CBS-Aruba

In terms of actions to improve health and well being, it is noted that it is a known fact today that universal access to health alone is not sufficient. Actually, it is found that healthcare has relatively minor impact on well-being. One's health is greatly influenced by personal behavior and external factors such as, socioeconomic status, working conditions, availability and quality of social networks, also referred to as social determinants of health. Purported advantages of the social determinants of health approach are that it rectifies the imbalance between curative and preventive actions and individualized and population-based interventions. It is further deemed more sustainable as it addresses

<sup>38</sup> Arango, L.G., Inequality in Health in Aruba (in press), Aruba

<sup>39</sup> Commission on Social determinants of Health Equity: from root causes to fair outcomes, p. 10-11, 2007. Retrieved from: [http://whqlibdoc.who.int/publications/2007/interim\\_statement\\_eng.pdf](http://whqlibdoc.who.int/publications/2007/interim_statement_eng.pdf), Achieving

structural conditions affecting the health and hereby reducing social injustice and health inequities.<sup>40</sup>

In this context, we advocate for a framework of health promotion and protection that is based on health determinants rather than merely restoring health to the level before manifestation of disease (curative health care). Health promotion's goal is to foster health by preventing illnesses and injuries and promote a higher level of wellness. The latter does not replace but rather complements the curative and rehabilitative aspects of healthcare. Hence, it involves (1) warranting universal access to health care as well as (2) educating about the risks and benefits of personal behavior on health in addition to (3) addressing the whole range of factors that influence health.<sup>41</sup> This can only be realized by collective and coordinated actions within and between all sectors at different levels in both the public, private sectors, the NGO's, public and private insurance schemes, the concerned family and the individual himself or herself. It entails empowering of the concerned individuals and building the capacity of the communities the respective line directorates and agencies to address the underlying social and economic conditions and environmental factors influencing health.<sup>42</sup>

#### Preliminary findings:

We summarize next some of the most important findings in this section.

- The available indicators suggest that not all sectors of the society have benefited equally from the robust economic growth since the late 1980's.
- There is important wastage in human resources in terms of educational performance.
- There is a disparate relationship between investment and outcome in education.
- The labor force is predominantly low-skilled earning low-income.
- There are notable positive correlations between rate of unemployment and gender and between unemployment rate and level of education.
- There is important gender imparity in terms of wage level and unemployment rate.
- The wage inequality in the working force has been increasing in recent years. The observed increments are accounted for by the lower half of the average wage distributions indicating a further relative worsening of the real wage of those in the low income brackets.
- There are evidences of significant inequality between salaried workers earning the minimum wage by country of birth.
- There is strong evidence of an inequality in health when controlling for socio-economic status. The more income and the higher the education, the better the health of the Aruban population.
- The prevalence of chronic and degenerative diseases are increasing notably and stressing the existent social infrastructures.

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<sup>40</sup> Baum F. The New Public Health, 2002, Oxford. In: Commission on Social determinants of Health Equity: from root causes to fair outcomes, p. 16, 2007. Retrieved from: [http://whqlibdoc.who.int/publications/2007/interim\\_statement\\_eng.pdf](http://whqlibdoc.who.int/publications/2007/interim_statement_eng.pdf)

<sup>41</sup> Saskatchewan Health, a Population Health Promotion Framework. Retrieved from: <http://www.health.gov.sk.ca/health-promotion-framework>

<sup>42</sup> Ibid, p. 5.



## PART III STRATEGIES for SUSTAINABLE DEVELOPMENT

The strategies and objectives of the National Integrated Strategic Plan 2010-2025 are based on twelve developmental priorities. These priorities have been defined taking into account the definition of sustainable development and the vision 2025 for Aruba. Those twelve priorities form the conceptual framework that has been used throughout the whole process, which is the balance between social, economic, and environmental development with education and governance as the two areas that are cross cutting and are basically preconditions for a successful achievement of the aspirations stated in this National Integrated Strategic Plan. Education at all levels can shape the world of tomorrow, equipping individuals and societies with the skills, perspectives, knowledge and values to live and work in a sustainable manner. While good governance will lead to political commitment from government, institutions and civil society for the implementation of sustainable development. The intention of this chapter is to use this conceptual framework to guide the national policy development and to formulate the strategies to be implemented.

The strategies in this report have been tested in different scenarios. Scenarios are shaped by multiple types of forces, which are called SEEP being this the Social, Economic, Environment and Political trends. The process of scenario planning takes place by looking at all the trends that take place on a global, international, regional and national level in the SEEP categories. It looks at how all these trends in the four categories influence the future development of Aruba and these trends are then combined with each other in different scenarios.

For the success of the National Integrated Strategic Plan it is of importance to ensure that the necessary strategic resources are allocated to support the strategy implementation. Strategic resources such as cash, assets, relationships, individual capital, collective capital and our natural advantages are necessary. We acknowledge that more important than the financial resources is the availability of skilled manpower and a viable social architecture that form a solid foundation to effectively execute the strategies and the proposed actions.

One other important aspect to take into consideration is that *“Shaping the future of Aruba is not only the responsibility of the government, but the responsibility of each individual living in Aruba”*. This means that success will only be possible if the public, private and civil society and every individual citizen are willing to be held accountable.

In this context it is also important to acknowledge the importance of our relations within the regional and international arena.

The twelve development priorities are:

- Lifelong learning and personal development
- Development of a sustainable Aruban culture through a holistic synthesis of all cultural aspects
- Building the community from the inside-out
- Stimulate and promote a healthy living
- Sustained socio-economic development by means of diversification
- Developing a nation of innovation = smart people + smart ideas
- Sustainable tourism development
- Enabling the international financial sector

- Clean and risk free environment
- Energy management for a sustainable development
- Promoting sustainable food supplies
- Putting good governance principles in practice

For the realization of the NISP it is important that the following is in place:

- Awareness on the NISP for children should be in another way. It would be great to ask kids and the youth how they see the realization of the NISP. We will not only have the endorsement of the generation that “matters”, but also a creative way of realizing the NISP. Kids mainly do not know the status quo and will come with creative ideas. Fundacion pa Hubentud may help in the awareness and activities for the kids and the youth. To get the youth interested in the NISP and to help realize the NISP tell them what they can do themselves;
- Further commitment of public and private sector and NGO’s;
- Role model: stimulate informal leaders, look at them to find out how and why they are successful;
- Create access to social funding;
- Extend the authority and responsibility of the Social Economic Council, to include a social pact.

## **Social:**

### **A multifaceted empowerment of the Aruban Society**

*The community has become more aware of its culture, its heritage and its norms and values. The community also practices a healthy way of living by incorporating physical activity and sports into its daily routine. This process starts within the family and the community at large. Through lifelong learning the human potential has been stimulated and empowered to acquire all the knowledge, values and skills.*

*Everybody contributes collectively to the sustainable development of Aruba through continuous accumulation of knowledge and development of **abilities, talents and attitude based on every individual's potential and values.** Aruba has a strong sense of community, exemplary social tolerance and a high level of solidarity, where a large variety of ethnic groups and nationalities live in harmony and progress.*

### 3.1 Social: A multifaceted empowerment of the Aruban Society

In recent years Aruba has been experiencing an imbalance between economic growth and the social development which has lagged behind. The Aruban society is under powerful stress from overpopulation and work force immigration. These developments have contributed to a sense of a rising crime rate, less social tolerance towards each other and family structures rapidly falling apart. Our culture is also at risk and is victim, as is the rest of the world, to aggressive cultural globalization. Significant external influences put the island's cultural identity and prevailing norms and values under strain. Furthermore, the economic development has stimulated a sedentary lifestyle on Aruba which has resulted in a yearly increase of overweight cases and obesity in Aruba in all age categories due to bad nutritional habits and lack of movement and physical activities.

In order to reverse this development, the community needs to become more aware of its culture, its heritage and its norms and values. The community will also have to strive for a healthy way of living by incorporating physical activity and sports into its daily routine. This process starts within the family and the community at large. In this light, it is important to support and empower the Aruban society as a whole. We cannot solve the complex problems facing our communities without the active involvement of all parts of them. Lifelong learning is an important tool to develop the human potential through a continuously supportive process which stimulates and empowers individuals to acquire all the knowledge, values, skills and understanding necessary.

The following is of utmost importance regarding prevention:

- The prevention of mental health: for example the prevention of child abuse and neglect, behavioral problems or other mental problems. It is vitally important that any approach to protecting children and strengthening families includes a strong prevention component. The increased effectiveness in terms of human and other costs is significant when families are helped to build on their own strengths, use community resources appropriately to meet their needs and to provide safe and caring homes for their children. Recently research teaches us that 1 out of 15 children here on Aruba is a victim of child abuse. (Kindermishandeling op Aruba Anno 2008, drs. Helen Guda). Looking to the costs related to child abuse and neglect they will increase each year. Direct costs include those associated with hospitalization, mental health care, the child welfare system, the legal system, etc. Indirect costs such as mental health and health care, special education, juvenile delinquency and adult criminality, to name a few, are estimated cost the nation far more than the direct costs. Professionals most of the times, have primarily gone into tertiary prevention or treatment programs. These programs, while necessary and lifesaving cost Aruba a lot of money annually. Given the importance of preventing child abuse and neglect and the wide range of programs and strategies available, there is no reason to delay investments in prevention.

The following should also be taken into consideration regarding social strategies:

- Traffic management and population growth until 2025. Traffic must be managed with the growth of the population.
- Personal sacrifices: mentality to talk about new ideas must be 7x24 hours.
- Media must be objective and critical.
- Create a database of experts of a certain field.
- The NISP should be a top priority.
- Family as a unit is missing. Family must be the cornerstone.

- Specific role of the church in the community.

### 3.1.1 Lifelong learning and personal development

In the 21st century, we find ourselves anew amidst the loud voices proclaiming the importance of lifelong learning. Lifelong learning is recognized today as an indispensable tool to enable the individual to face modern days multiple and emerging challenges on different levels like personal, work, as citizen contributing and being part of a community, economy, environment and the world. The interplay between life and learning emerges from the fact that learning is a crucial tool in life, or to rephrase it more precisely, learning is life-enhancing, and it reflects upon and enables the expression of people's full human potential. Therefore lifelong learning is accomplished not only through the formal structures of education but also through the informal and non-formal structures.

In terms of formal education, making education accessible to everyone and stimulating learning and personal development for all age groups is a proven strategy for achieving a more equitable distribution of national wealth and social equity. Learned lessons at the international level also show that inefficiency in education conduces to an important underdevelopment of human potential, reduction in the quality of life and welfare. Sustained investment in education is a primary mechanism for progress, including the overall quality of life, economic growth and increased productivity. For this a minimum of 6 % of the total GDP needs to be invested in education in the broadest sense of the word (including formal, informal and non-formal education). The goal will be to reach 20% of the population with a tertiary level of education ISCED 5A.

Data from the World Education Indicators Program (WEI) show that for every year the level of education of adults is raised, there is a corresponding increment of 3.7% in the long-term economic growth.<sup>43</sup> Other conditions that the government will need to provide for are:

- Introduce compulsory education from ages 4 to 16.
- Implement a National Strategic Education Plan and continuously monitor its execution, evaluate and make the necessary changes when needed.
- Create a fund that will finance the renovation and maintenance of school buildings
- Improve the quality of education and educators
- Create education possibilities for adults
- Create a school environment that stimulates and motivates the student, the teachers and the parents
- Create mechanisms to minimize the brain drain and attract high skilled personnel
- Build the infrastructure for Adult Education
- Create a fund for continuous innovation in education

#### *Aspiration*

In the year 2025 the Aruban community is convinced that:

*Development, growth and learning* are an *essential* and *continuous process* throughout a person's life. Every member of the community is *conscious* of, *believes* in and is *living* the idea that every human being has *the capacity* and *accountability* to continue learning and to continue developing himself through all means, modes and strategies possible. Everyone, without discrimination of gender, age, color, religion, nationality, social-economic status, disability (physically or mentally), has the right and possibility to develop in every way: *'wherever, whenever, whatever you can learn throughout your*

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<sup>43</sup> UNESCO, UIS-OECD, Education Trends in Perspective: Analysis of the World Education Indicators, 2005 edition, 2005. Retrieved from: <http://www.uis.unesco.org/TEMPLATE/pdf/wei/WEI2005.pdf>

*lifetime* ‘. Everybody contributes *collectively* to the sustainable development of Aruba through continuous accumulation of knowledge and development of abilities, talents and attitude *based on every individual’s potential and values*.

*‘Live to Learn, Learn to Live’*

In 2025 the Aruban community is a balanced combination of people who:

- are healthy, responsible, accountable, creative, proactive, self-reliant, dynamic, aware, empathic, visionary, entrepreneurial, democratic, analytical and self-reflecting,
- have their own identity,
- know the Aruban culture and language,
- are global and critical thinkers,
- have mutual respect and respect for the environment and live in harmony with the environment.

### *Desired outcomes*

1. Aruba is a *Learning Community*. This means that all Aruban citizens, either on individual, group, organizational or community level, are learning throughout life.
2. The community as a whole provides our *Youth* (0-18 years) with the opportunities to develop and achieve. This results in children and youngsters that have healthy and fulfilling lives, school careers and become productive and contributing adults in the Aruban and Global society.
3. Aruba has an Educational system for Sustainable Development in place (*Education for Sustainable Development*). This results in Aruban citizens with a sustainable attitude and behavior that will create a more sustainable future in terms of environmental integrity, economic viability, and a just society for present and future generations.
4. In 2025 the social partners of Aruba offer a broad scope of opportunities and facilities of high quality for all ages and target groups to develop on a professional and personal level. This means that all social partners actively participate and contribute to the *Realization of LLL and Personal Development* in their own organizations and in Aruba in general.
5. Aruba has a *Sustainable Media Development*. This means that the media professionals in Aruba fulfill an objective role to help create well informed and critical society members.

### *Social Architecture*

The learning field is formed by many important partnerships in the public sector, the private sector, NGO’s and representatives of the community. Only through cooperation can lifelong learning be realized. The establishment of a Platform for Lifelong Learning, consisting of the public sector, private sector, media & community, will be vital in order to coordinate all the efforts towards the successful achievement of the aspiration.

To make sure that this development priority is operational the following must be in place:

- accessibility for everybody to internet, Aruba must become completely digital;
- awareness on education to focus that learning is lifelong: “no tin berguensa pa siña”;
- awareness with a focus on stimulation of the consciousness of parents to the importance of education;
- awareness to change the mentality of the school children, to motivate them for education;
- a fund especially for adult education;

- implement a private institution especially for the maintenance of schools as the example of SOGA;
- more cooperation between the private sector and educational institutions. The government has to provide incentives for this, “vermindering loon afdracht”;
- program for drop-outs to get training on the job, cooperation with private sector and NGO’s;
- motivation of educators via professionalization: courses and promotion;
- organize informal education in the neighborhoods;
- incorporate lifelong learning among the elderly;
- Teachers: have incentives to create commitment;
- Empowerment of the persons to promote lifelong learning. Provide scholarships by companies.

### **3.1.2 Development of a sustainable Aruban culture through a holistic synthesis of all cultural aspects**

Culture is defined as follows: “*Culture comprises the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs*” UNESCO (1982). With this we see the Aruban culture progressively moving towards a sustainable future, starting with our recent history, generating momentum and structure in the present, and developing towards a positive future cultural community.

#### *Aspiration*

By the year 2025, Aruba has integrated all social, economic, environmental, and governmental aspects of its community, and has achieved a harmonious, dynamic and sustainable national culture.

#### *Desired outcomes*

##### *1. SOCIAL*

#### *Cultural Community*

- The Aruban community is well aware of the fact that culture is a broad, historic and dynamic process. Culture is an expression of many aspects of society: lifestyles, norms and values, language, traditions, social interaction, the arts and esthetics, beliefs, human rights, education, governance, cuisine, economy and migration, knowledge, fashion, etc., in short all intellectual, spiritual, emotional and material aspects of life.
- The local community has forged a core cultural entity that is distinctly Aruban and in which the Aruban citizen holds a central place. This forms the basic framework for all cultural development and cultural activities.
- The Aruban community is a culturally integrated community: all cultural groups live together in mutual understanding, acceptance, and active and creative social interaction.
- Citizens of young, adult and elderly age can continuously develop themselves culturally (life-long cultural learning) based on social acceptance, adequate health care, education, economic stability, and active participation opportunities for all. The Aruban community has become a caring community that is responsible for the general well-being and personal development of its members. Culture is seen as a

means for promoting individual mental, spiritual and emotional health and social cohesiveness.

- All sectors of the Aruban community including the socio-cultural, economic, environmental and governmental sectors are accountable for and strive collectively towards cultural sustainability. As creators and consumers of culture, all have an active responsibility in shaping the content and form of sustainable cultural development.

### *Cultural Education*

- The Aruban educational system has been reformed fundamentally and emphasizes socio-cultural content in its National Education Plan (NOP). Aruban cultural history and its social structure are fundamental in all learning, and cultural education has a central place in all school systems.
- Local cultural norms and social values, established and embraced by the community, are taught to all groups and generations by means of all existing social and educational structures.
- The culture sector has been completely professionalized. Cultural staff in all organizations has received professional training in order to develop the cultural field.
- A general Code of Cultural Ethics has been developed for the local population, new citizens and visitors alike, by which social interaction is conducted.

### *Cultural Identity*

- The people's friendliness and good humor, its good education, family and democratic values, hospitality, its cultural expressions, Papiamentu and world languages fluency have become the most essential binding elements of the national Aruban identity. People are strongly aware of the characteristics of the Aruban cultural identity and strive collectively to uphold these
- Aruban cultural identity is sustained fundamentally by knowledge and conservation of past values, dynamic developments in the present, and a sense of responsibility for the future.

### *Cultural and Arts*

- The arts, as a means of cultural and artistic expression, community development and personal growth, have been completely integrated in the social fabric, the economy and education, the urban and natural environment management, and in all government national policies.
- The Aruban arts sector embraces all artistic disciplines and genres and has achieved a balance between traditional folklore and contemporary local expressions, popular and high art, and between local and global developments.
- Aruba has developed a strong, well-educated, diverse, innovative and productive 'creative class' based on its educational, social and economic policies, enabling artists and creatives to make a living locally.
- Social and cultural life is actively manifested in public spaces where participation, enjoyment and learning are made possible for the entire community.
- Aruban cultural and artistic expression has achieved regional and international recognition and is exported to the global cultural and arts market as manifestation of Aruba's 'culture of quality'. Outside art is also shown locally in order to compare and develop critical awareness.

## 2. ENVIRONMENT

### *Culture and the Environment*

- Environmental policies and legislation embrace a historic synthesis of cultural and environmental aspects of community life. It is acknowledged that much of contemporary culture is rooted in past agricultural practices, which were in turn determined by natural environmental circumstances. A sustainable relationship between the natural environment and cultural practice is renewed.
- The natural heritage is valued as much as and as inseparable from the cultural heritage. Spending quality time in nature has become an essential part of socio-cultural practice; natural images have become cultural icons; foods produced from sustainable agricultural practice have once again become the main ingredient for the local cuisine as part of a consciously healthy diet, as has the use of natural medicine.
- It has become cultural practice in social and educational activities to “refuse, reduce, reuse, recycle and restore”. The community is aware of the importance and fragility of nature, and of its responsibility in protecting and restoring natural resources.
- It has become cultural practice in daily life to use natural, ‘green’ energy such as wind, sun and water for power production. The community has learned to use energy, water and manufactured products in a sustainable manner.
- Architecture, city planning and landscaping have efficiently incorporated environmental planning, local vegetation, green technology and cultural elements in the design and implementation phases. Aruban cultural expression is visibly present in the environment. Nature and infrastructural esthetics remain in a culturally generated balance.
- A general Code of Environmental Ethics has been developed, in conjunction with the Code for Cultural Ethics, for the local population, new citizens and visitors alike, by which protection of the environment and sustainable use of natural resources is promoted. Environmental legislation, brought on by insistence from the cultural sector in order to safeguard the natural heritage for the community, regulates and imposes sanctions with reference to protection of the environment and sustainable use of natural resources.

## 3. ECONOMIC

### *Cultural Economy*

Aruba has developed its cultural economy, attracting first a creative class and successfully creating a ‘creative industry’. This has significantly diversified the economy and increased the national income. Many new jobs in the creative sector account for lower unemployment levels.

- Cultural tourism, next to recreational and relaxation tourism, is booming with many visitors coming to Aruba for cultural activities.
- These center on tours, cultural conferences, the natural and cultural landscape, creative workshops and exchange programs, and yearly national festivities and celebrations that have been upgraded to international standards but that remain authentic, unique and attractive.
- Many rundown urban zones have been revitalized, renovated and beautified to house new cultural activities, attracting new tenants, commercial activities and restaurants as well. Arts projects beautify the areas and attract both local people and visitors to its activities.

- The creative class is culturally active, environmentally aware, and operates on a sustainable basis. This new generation workforce is international in its training, but has a strong local interest and has been brought up with new ideas about practical sustainability in all sectors.
- Effective social employability and personal sustainability has been achieved for adult and elderly generations, by combining elderly experience and insight with youthful energy and aspirations at the workplace. Cultural knowledge and past experience is thus transmitted to the benefit of future generations, having a positive effect on entrepreneurial development.
- The Aruban community, being proficient in an above average number of world languages and strategically situated geographically, has effectively put these advantages to economic use, offering a wide range of language services to the international community.

#### 4. POLITICAL

##### *Culture and Governance*

- The government actively implements the NosAruba 2025 National Integrated Strategic Plan (NISP) and the report “Cultura na Caminda pa 2025”, and strives for continuous development, follow-up and upgrading of the NISP.
- The Aruban government, in implementing its vision for sustainable cultural development, protects and promotes culture through subsidies, grants, assigned budgets, policies and cultural legislation in cooperation with all cultural stakeholders.
- New developments in Aruban culture have also changed the political culture. Capable, pro-active, humanitarian parties and politicians work together to ensure continuous, sustainable cultural development. The community votes for programs that represent commitment to a pro-culture vision.
- The government is aware of its responsibility as a role-model to set the example of living up to the Code of Cultural Ethics, and to inspire and to lead younger generations towards assuming governmental responsibility for a sustainable future for Aruba.

To make this development priority operational it is needed that:

- guest workers and immigrants are involved in the Aruban culture;
- there is awareness with regard to the Aruban culture referring to the values compared to other countries;
- culture is part of the curriculum of children;
- creativity is promoted by having programs with prizes, i.e. scholarships.

### **3.1.3 Building the community from the inside-out**

There is a strong sense of urgency to restore the balance between economic development in Aruba and a general well-being of the whole Aruban community. The Commission Community-based initiatives have elaborated a means of cooperation between all actors of Aruban society to restore this imbalance. By restoring the above-mentioned imbalance one can more effectively target material deficiency and social exclusion and one can improve the standard of living and wellbeing of all individuals. This can be restored only by building the community from the inside-out; in other words by empowering the Aruban community.

#### *Aspiration*

In 2025 Aruba has a strong sense of community where the Gross National Happiness (GNH)<sup>44</sup> rather than the Gross Domestic Product (GDP) is universally acknowledged as the main indicator of well-being. Aruba is often referred to as a small community of exemplary social tolerance and a high level of solidarity, where a large variety of ethnic groups and nationalities live in harmony and progress. A balance between conservation and development has been attained by preserving identified unique natural resources and cultural facilities. The educational system is focused on educating responsible, satisfied global citizens who are life-long learners and contribute to the community's quality of life. The education system is further linked to the ever expanding and changing technological and financial demands, but with firm adherence to norms and values emphasizing giving, caring and sharing. Furthermore, the public sector is responsive to the changing demands of the community, both in terms of legislation and good governance. In this context, the government is a catalyst of social and community development. The people own their communities through pro-active and decisive initiatives. This approach rests on the premise that series of small changes brought about by the very same people affected by these changes, will lead to major sustained transformations with important social impacts. Social welfare services are community-based and developmental in design and tailor-made to the needs of those in personal and familial crises. The economy of Aruba in 2025 is one that is relatively diversified where micro entrepreneurship, boosted by financial incentives targeting the local (vulnerable) population, represents an important sector of the economy.

### *Desired outcomes*

There are three important factors to tackle in order to achieve the aspiration of the commission.

1. *There should be social progress for every member of the community.*  
The Aruban community should be empowered and pro-active in the development of its life. Furthermore, the community should have a participative role in policy and decision-making, either as a group or as an individual.
2. *The culture(s), norms and values in Aruba should be taken into account in daily life.* The economic development in the last decade has derogated the traditional culture and norms and values of Aruba. It is important to reevaluate Aruba's culture, norms and values in order to achieve a balance between material and spiritual development.
3. *Everyone should be aware that they are accountable for sustainable development in Aruba.* The Aruban community should not have to wait for the government to act, but can take small steps themselves. Community-based initiatives are voluntary projects and programs being carried out in the community with the active participation of the community members.

### *Social Architecture*

The social architecture outlined here is to create a catalyst in the process towards empowerment of the community in order to address the imbalance between economic development and social well-being.

The Central Point of Community Exchange (CPCE) is a body which will unite the different neighborhoods of Aruba and contribute to a social progress for every member of the community, tackle the wish of the community to restore the norms and values and tackle the theme of accountability to stimulate volunteers. A CPCE is necessary in order to

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<sup>44</sup> The Gross National Happiness is an attempt to define quality of life in more holistic and psychological term than the GDP. The concept was thought of by Bhutan's former King Jigme Singye Wangchuck in 1972 (Wikipedia.org).

better identify, assemble, coordinate, streamline, disseminate knowledge and foster dialogues between people, voluntary organization, public entities and experts on Aruba.

The CPCE will be an umbrella community-based network as means to engage and coordinate the involvement of community organizations and residents in addressing identified personal and social issues and challenges affecting them and their respective communities. The CPCE operates within the existent structures. It complements the Government, private and the voluntary sectors' relevant activities and efforts. The efforts of the CPCE should be viewed as long-term.

The CPCE is comprised of representatives of relevant community groups, public, voluntary and private entities, which are active in different sectors. It is to be supported by a Secretariat and guided by a collaborative leader. It is important that the CPCE-networks reflect the socioeconomic, cultural and political diversity of the community. One must stimulate and retain participation in the CPCE by instilling ownership of the process.

In order to make this development priority operational there should be:

- Awareness with regard to being proactive on all fronts on a professional and personal basis;
- Awareness campaign on being a role model;
- The Central Point of Community Exchange could be realized by a new Foundation. Cede Aruba could also play a role in the realization of this Platform. It is important to speak to this Foundation and discuss which role they would like to play in realizing this platform and sustaining this platform. Also which steps must be taken;
- To educate the community on our norms and values by using who we are, our positive core, our strength, our pride of being Arubans
- Incentives at work to promote volunteers, i.e. coaches can get half day off. There is a lack of social volunteers;
- Promote Centro di Barrio to hold more social activities.

### **3.1.4 Stimulate and promote a healthy living**

A healthy community will be obtained by means of practicing physical activities and sports, following the national nutrition and physical activity guidelines, preventive care and investing in creating top athletes and sport professionals and adequate facilities.

In order to do this in an environmental-friendly manner, multifunctional sport facilities in all six districts of Aruba will be constructed, adequately maintained and exploited to their optimal potential. Furthermore, the development of top athletes and sport professionals will be stimulated, preventive care will be emphasized, and hygiene control in the food industry both on suppliers and retailers will be executed. The government will invest in the essential prerequisites for a healthy lifestyle and will cooperate with the private sector and NGO's in this matter.

#### *Aspiration*

The goal is to create an Aruban community that applies physical activity and sport as an important tool to achieve a healthy way of living and to decrease the amount of youth problems. This will be done through research, creating the resources and prerequisites for a healthy lifestyle, educating the community and stimulating and promoting a healthy living. All these actions will be done by the government, sport umbrella organizations and sport federations, relevant government departments and the stakeholders in the medical and preventive care and children and youth NGO's.

#### *Desired Outcomes*

1. *Sport and physical activity is the most important tool for a healthy living*  
A healthy community will be created through physical activities and using sport as a tool.
2. *Community follows the guidelines of nutrition and physical activities*  
This will be done by determining the guidelines and having a promotion campaign about these guidelines with involvement by the government departments, stakeholders in the preventive health care, Red Cross, White Yellow Cross, educational system and stakeholders dealing with sport.
3. *Emphasis on preventive care rather than on curative care*  
Preventive health care is created through a health care foundation that consists of health care stakeholders. This foundation will be responsible for the formulation, implementation, financing, monitoring, and evaluation of the long-term planning and promotion of preventive care.
4. *Consciousness about food hygiene*  
Control on hygiene in food industry of both the suppliers and retailers by doing research on this matter and based on this research a project on hygiene control will be developed. The suppliers and retailers will be informed about this project and a campaign about the project will take place and thereafter implemented. This project will be implemented by the departments being part of the public health in Aruba, stakeholders in the food industry and other stakeholders resulting from the research.
5. *Essential prerequisites are present for a healthy lifestyle and cooperation of the government with the private sector*  
Invest in the essential prerequisites for a healthy lifestyle by giving the private sector incentives to do so by doing research. This research will be used as input to reform the legislation in order to give the private sector incentives to invest in sports. The government consisting of the ministry of sport and government departments, umbrella sport and private organizations and sport federations will be responsible for this.
6. *To have environmental friendly and multi-functional sport facilities*  
Friendly and multifunctional sport facilities are built and research is done in this field by the concerned government departments. Research will be used as input to develop a plan concerning the maintenance of the sport facilities and where necessary adapt the sport facilities to become environmentally friendly and multifunctional.
7. *Aruban Athletes have reached a respected competitive sport level in the region*  
Develop and implement sport legislation, develop a sports platform, a sports clinic will be created and provision of training of the boards of the umbrella sport organizations. This will contribute to make Aruban athletes reach a competitive sport level.

### *Social Architecture*

The umbrella sport organizations and the government departments dealing with sport and education together will, among others, develop and implement sport legislation, develop a sports platform, a sports clinic will be created and provision of training of the boards of the umbrella sport organizations. All these stakeholders will work together and with the athletes in such a way that these athletes have reached a respected competitive sport level in the region.

To help make this development priority operational there is/are:

- Awareness with regard to health movements, i.e. use the Pro Lechi Mama awareness model;
- Awareness with a special priority for youth;
- Increase of the tax on unhealthy foods or lower the taxes on fruits and vegetables in order to make healthy food more accessible;
- Mobile clinics for the elementary schools for, among others, dental care
- Specialized doctors 24 hours available in the health care sector, there is more focus on the patient than on protocols.
- Flexibility in the labor time schedule to be able to invest time in sport activities for employers and employees. Companies must get tax benefits to do so.

## CHANGE PROCESS Nos Aruba 2025

	LEGISLATION	DIALOGUE	AWARENESS	OTHER ACTIVITIES
A multifaceted empowerment of the Aruba community	<ul style="list-style-type: none"> <li>▪ Introduce compulsory education (4-16)</li> <li>▪ Create sport legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Platform for Lifelong Learning</li> <li>▪ Public debates on cultural issues</li> <li>▪ Sport platform</li> <li>▪ Central Point of Community Exchange (CPCE)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Awareness about cultural definition an local culture</li> <li>▪ Awareness for integration of all cultural groups</li> <li>▪ Awareness healthy living lifestyle (sports &amp; nutrition)</li> <li>▪ Awareness importance of lifelong learning</li> <li>▪ Awareness to enrich the understanding of norms, values, culture and identity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Invest min. 6 % of the total GDP in education</li> <li>▪ Implement a National Strategic Education Plan and continuously monitor its execution, evaluate and make the necessary changes when needed.</li> <li>▪ Take actions towards the financial sustainability of AZV</li> <li>▪ Redefine policy for education funding: Public/private, grants, scholarships</li> <li>▪ Create mechanisms to minimize the brain drain and attract high skilled personnel</li> <li>▪ Create a fund for continuous innovation in education</li> <li>▪ Create infrastructure for informal and non-formal education in the community</li> <li>▪ Create a fund that will finance the renovation and maintenance of school buildings</li> <li>▪ Facilitate education possibilities for adults through incentives to employers</li> <li>▪ Create a center for non-formal personal and professional development</li> <li>▪ Improve the quality of education and educators</li> <li>▪ Develop a plan for Whole School Decision Education</li> <li>▪ Develop and implement a concept of "Citizen School"</li> <li>▪ Create after school programs</li> <li>▪ Develop centers for on-line and distance education</li> <li>▪ Organize seminars/workshops for HR personnel, government personnel</li> <li>▪ Introduce affordable learning and training programs to develop multitask employees</li> <li>▪ Create a school environment that stimulates and motivates the student, the teachers and the parents</li> <li>▪ Determine and campaign the guidelines of nutrition and physical activities</li> <li>▪ Control on hygiene in food industry of both suppliers &amp; retailers</li> <li>▪ Research and define specific local cultural traits and assign basic framework function</li> <li>▪ Organize cultural development activities for specific age groups and themes</li> <li>▪ Create cultural training and academic study opportunities</li> </ul>

## Economic:

### Consolidating the development of the Aruban economy

*By hard work, determination and the capability of joining efforts in trying times, the Aruban people has been able to turn Aruba into one of the most developmentally successful islands in the Caribbean region. One of the most significant achievements is the achievement of a diversified economy, focused on promoting capital-intensive and technology-driven endeavors. An increased efficiency in the labor force and highly skilled workers in such sectors as services, transshipment and/or assembly of high-value, time sensitive goods. This has been done within the context of the tourist industry where the quality of the environment and the attractiveness of the venue lured both tourists and visitors to combine business and relaxation when visiting Aruba. In 2025 Aruba is the place where innovative people shares innovative ideas in an innovation-friendly environment. Aruba is an internationally known center for innovative entrepreneurship, a florescent International Financial Center and a diversified product for sustainable tourism. The island has all resources necessary to continue improving and diversifying the economy.*

### 3.2 Economic: Consolidating the development of the Aruban economy

By hard work, determination and the capability of joining efforts in trying times, the Aruban people has been able to turn Aruba into one of the most developmentally successful islands in the Caribbean region. One of the most significant achievements is the Aruban-type affluent society with a high level of education, social and health-care services available to everybody, little or no unemployment and the high standard of living for a large group of Arubans. The elements of Aruba's positive core, which include the well-developed tourism industry, international orientation, social security system, political stability, safe and secure environment, hospitable multi-cultural population and values together form the social heritage have all supported our success.

Based on a critical review of different strategies for economic growth, with the present situation as a starting point, a growth strategy in which diversification of the economy is the main objective has been chosen.

In the proposed diversified strategic growth, the focus is on promoting capital-intensive and technology-driven endeavors. The latter would demand increased efficiency in the labor force and highly skilled workers in such sectors as services, transshipment and/or assembly of high-value, time sensitive goods. This should be done within the context of the tourist industry where the quality of the environment and the attractiveness of the venue will lure both tourists and visitors to combine business and relaxation when visiting Aruba. In this scenario population would grow to 140,000 by 2025 and population density would be 750 persons per square kilometer.

In 2025 Aruba will be the place where innovative people will share innovative ideas in an innovation-friendly environment. Aruba will be an internationally known center for innovative entrepreneurship, a florescent International Financial Center and a diversified product for sustainable tourism. The island has all resources necessary to continue improving and diversifying the economy.

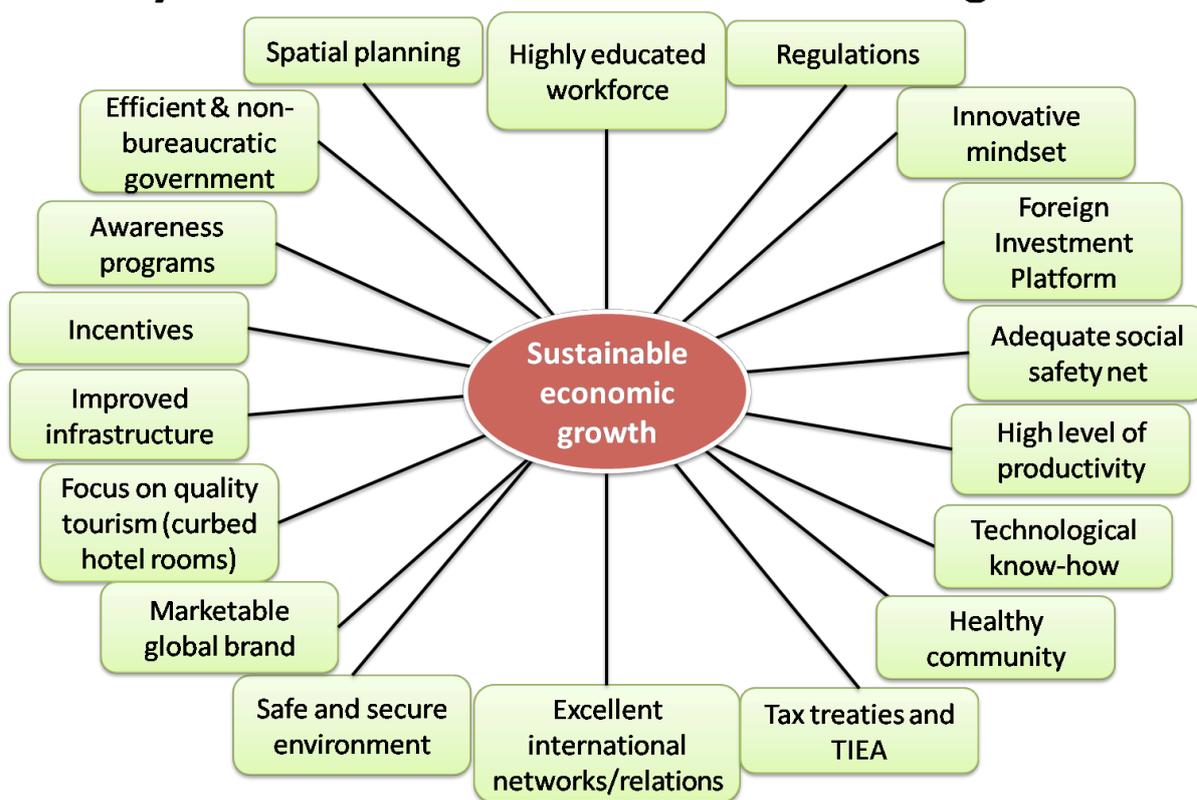
The following are important economic strategies to take into consideration:

- Change of mentality & awareness to encourage diversification;
- Education has to support diversification;
- Create confidence and engagement in the product Aruba;
- More use of human capital (professionals on the island);
- Create a stable economic growth based on the local workforce and less immigration in order to maintain high quality;
- Produce what is being consumed (re-use);
- Fiscal incentive system: incentives for graduates abroad to return and work for Aruba and help with diversification;
- Diversification with tourism: (necessary to implement environmental law):
  - Maritime park;
  - Eco-tourism;
  - Spiritual tourism;
- Stimulate entrepreneurship by providing special rates on commercial loans;
- Good Business Ethics for complying with debtors "Moralidad di pago";
- Change from short term economic development and long term poverty alleviation to sustainable long term, which is only possible with combination of economic, social and environmental policy plans;
- Stimulate education especially in bachelor and master level;

- Define limits for tourism to enhance the quality in the product;
- Searching new business partners locally and internationally;
- Stimulate innovation – example research alternatives in natural resources;
- Exploit fossil resources of Aruba;
- Create new tax structure by providing incentives (tax deductible) for people/business to help community;
- Engagement of the private sector:
  - make them want to be involved in decision making process;
  - use the role of media in engaging the private sector;
  - Create small business association;
- Motivate entrepreneurship:
  - Facilitate and reduce the obstacles (less fee's);
  - Open up deeper dialogue, to the cost-benefit of the move of the cargo harbor to Barcadera;
  - Create small business association;
  - Create a safe environment to stimulate entrepreneurship:
  - Protection intellectual property;
  - Private equity venture capital (general funds to co-subsidies starting business);
  - Use of database of professionals to evaluate business plans;
- Create public-private ventures;
- Educate managers by using tax facilities to stimulate and finance;
- Reduce starting cost for business;
- Guarantee investor protection (commercial risk of public limited liability company related to personal life);
- Establish a Marine Biological Research Center (Faculty for MBRC);
- Develop and execute International Center (support from the community);
- Opleiding budget (upgrading) voor elke personeel (smart people + smart ideas);
- Promote “on the job training”;
- Attract foreign financial intuitions and experts to implement and develop future plans;
- Create and establish alternative energy plans in areas along the cost of our island;
- Stimulate and develop business opportunities in the medical service sector;
- Evaluation of productivity in Aruba;
- Small hotels making use of existing ones;
- Stimulate agriculture for self sustaining;
- Stimulate entrepreneurship:
  - Create market for fresh local food (fruits);
  - Use of the refinery harbor for cruise and cargo ships;
  - Improve conditions of employment in the private sector in order minimize the different between public and private sector (vacation pay, pension, child allowance etc.);
  - General regulation by law for the private workers ( example LMA);
- More flexibility on the labor market (part time jobs);
- Stimulate small and medium enterprise by proving incentives (more than just subsidies) (stimulate the role of AIB in this case);
- Stimulate entrepreneurship in education through competition (awards) for new business ideas;
- Benchmarking;

- Entrepreneurial opportunities for sustainable food supply;
- Develop a Business Center to give support;
- Minimize barriers for starting a business;
- Better Business Bureau (Mededingingswetgeving) in order to have a fair competition (supervisory body);
- Startup capital (venture);
- Stimulate teachers to be leaders to encourage innovation;
- Implement moratorium and stimulate investment in other sectors;
- Create business opportunities in Energy Management;
- Attract university abroad to come and do research in Aruba. (knowledge exchange, investments opportunities and stimulate community);
- Make investments in our infrastructure;
- Children: create equal opportunities to become people with smart ideas;
- Policies and awareness to promote productivity;
- Confidence in the product;
- Stabilization of the economy to maintain quality;
- Use Arubans to work;
- Fiscal incentives especially for middle- and small businesses;
- Create an environment to create smart ideas. Private equity venture capital: what the banks will not finance is being financed by this identity;
- Educate the managers of businesses. Stimulate them to follow a course in business management;
- Guarantee investments;
- Education must be market driven;
- Need more micro-market investment to start up businesses whereby do not have to make use of the banks;
- It must be easy to start-up a business. Less bureaucracy.

## Key elements for sustainable economic growth



### 3.2.1 Sustained socio-economic development by means of diversification

In the light of existent and future challenges to promote economic growth and diversification the following fundamental sustainability questions can be posed: *How can we maintain and finance an affluent society given our limited (physical) resources, our mono-industry focus (tourism) and a frail social system due to an unbalanced economic structure?*

The challenge is to expand upon existent strengths and improve these where necessary to be able to grasp and create opportunities. Emphasis should be put on creating a spin off and synergy in social-economic terms to expand the basis of generating (future) wealth for the entire Aruban population.

Diversification of the economy of Aruba has been on the agenda of several governments and private institutions for quite a long time. Efforts on both sides have only proven that to diversify the economy one has to engage in activities in which Aruba has its strengths and a comparative advantage.

#### *Aspiration*

*“An increased quality of life based on a balance in the socio-economic sustainability of Aruba in 2025”*

This has succeeded through a significant shift in the composition of the GDP with tourism not only being the main source of income and employment but income is also generated

through diversification. The economy is mainly being driven by high-skilled labor through capital intensive economic activities, financial service and knowledge-based activities. This has led to an increase in labor productivity. The quality of life increased due to flexible labor laws, improved child-care facilities and a reform in the social net system. The focus on preventive health also contributed to a positive reform in the social net system. The elderly also had benefits from the reform in the social net system and from the reform of the labor laws.

Different strategies for a sustainable economic growth have been studied and with the present situation as starting point, the following growth strategy, in which diversification of the economy are the main objective, have been chosen.

In the diversified strategic growth the focus is on capital-intensive, labor-efficient, highly skilled, technology-driven activities, such as, services, and the transshipment and/or assembly of high value, time sensitive goods. This should be done within the context of the tourist industry where the quality of the environment and the attractiveness of the place will lure both tourists and visitors to do business as well as to relax when visiting Aruba. In this scenario population would grow to 140,000 by 2025 and population density would be 750 persons per square kilometer.

Increase in the quality of life is part of a sustainable economic diversification: Due to achieving sustainable economic diversification, we will contribute to the increase in the quality of life. The following desired outcomes in the areas of economic productivity, quality of life, spatial planning and financial sustainability should be achieved including the stakeholders responsible to achieve these desired outcomes.

### *Desired Outcomes*

#### Economic Productivity

The following desired outcomes for increased productivity should be obtained:

1. Aggressive economic diversification through value added services: 60% of GDP consists of highly diversified sectors driven primarily by (high) skilled, capital intensive economic activities. Aruban entrepreneurship thrives on the output of the educational system.
2. Curbed hotel room capacity as to focus tourism on quality, not *quantity*: Aruba's tourism sector is characterized by quality, not quantity. Hotel room capacity was curbed to maintain the exclusive character of Aruba as a high-end destination. Boutique hotels are now a new highly sought segment. By now tourism (directly and indirectly) remains Aruba's largest economic sector although it contributes only 40% of GDP down from 60% in 2008.
3. Increased labor productivity in private and public sectors: Aruba's labor force both in the private and public sector has become more productive as a consequence of:
  - Better training & knowledge
  - Enhanced health leading to less absence
4. Balanced supply and demand on the labor market: Aruba's labor market has reached a good balance between labor supply and demand. This has lead to a less immigration due to less demand for low-skilled jobs. Aruba created more job opportunities for locals to repatriate and to be part of our labor force.

5. Attention to international relations on trade in order to make the utmost use of economic and trade treaties for the benefit of the economy of Aruba and to secure our competitiveness in the world economy

Economic logic has it that in order to organize any form of production in a productive manner in any economy, the factors of production are of relevance. The factors of production in this case are capital and labor. As capital in any form is inanimate, it is represented under normal circumstances by its owners or representatives thereof. In practical terms, *these are* the representatives of the business community as well as the government (which also owns capital). Next, there are the representatives of the labor movement, in the form of labor unions. The present consultative framework between the so-called social partners (the administration, private sector and the labor union sector) needs to be strengthened and formalized. In this light, it is necessary to establish a formal socio-economic consulting body to establish and review strategic and tactical socio-economic policy matters. A departure point for the above stated would be the strategic objectives articulated in the National Integrated Strategic Plan. There should also be more cooperation by the government towards the private sector, by i.e. tax treaties.

### Quality of Life

Diversified strategic growth should deliver adequate spending power and equitable wealth distribution for Aruba's population. Moreover there should be overall social well being for the majority of citizens regardless of nationality, age, gender or economic status. There should also be more structure in the care for the ageing population.

To this extent the following desired outcomes for quality of life have been identified:

1. Health: Overall wellbeing in terms of physical, mental and social wellbeing. In this context health is more than the absence of disease or infirmity [WHO]. However, the prevalence of (preventable) degenerative chronic diseases is lowered. The declining trend in life span is reversed.
2. Education: High overall performance of the educational system delivering capable individuals who can become productive in both private and voluntary organizations as to contribute to overall economic and societal development. In particular, throughput will be improved performance of the (higher) education system as this is demanded for increased economic productivity through more knowledge intensive industries. Shift policy from participation to outcome.
3. Social safety net: an adequate and affordable level of social security and social support system for those who are (temporarily or permanently) unable to support their own means.
4. Work/Life balance: Desired outcome is enhanced work/life balance which benefits overall citizen well being whilst maintaining job security and increasing labor participation. This is fostered by flexible labor laws and improved child care facilities.

A balanced socio-economic development demands an integral approach in formulating and implementing economic and social welfare planning. Hence, representatives of the above-identified sectors are to convene in systematic and official manner with the administrators of the social security programs and the line directorates from the following sectors: labor, healthcare, social services and economy and industry. Adequate attention is

given to engage representatives of the recipients of social security and welfare services in the planning, evaluation and implementation processes.

### Spatial Planning

Aruba has physical limitations and the finiteness of land as a natural resource. Therefore, Aruba's spatial planning has been implemented according to the ROP

To this extent the following desired outcomes for Spatial Planning have been identified:

1. Conscious usage of land as Aruba's most precious natural resource (i.e. conscious allocation of land for individual and commercial use, continued availability of land for the population).
2. Orderly developed public infrastructure (i.e. road hierarchy, urban concentration, concentration of commercial activity, recreational zones, etc.)
3. Conservation of Aruba's environmental resources.

### Financial sustainability

Aruba's economy is vibrant and capable of carrying the nation's social infrastructure without undue strain being placed on it. To this extent the following desired outcomes for Financial Sustainability has been identified:

1. Sound public finance in terms of spending composition (i.e. relatively more spending on supporting economic development through investments, relatively less on government operations).
2. Manageable public finance service levels. Aruba's financial system, system stability and monetary policy are supporting economic development. Implemented National Commission on Public Finance (NCPF) report 2007. Fiscal responsibility and compliance has been improved
3. Appropriate matching between sources of funds and spending in the social system
4. Collective burden matches return from Government in terms of quality of life

### *Social architecture*

In the end we come full circle as we come to the entities and stakeholders involved in the proper coordination of efforts in allocating means. Of particular importance here are the (decision-makers) policy-makers in government, i.e. ministers and members of parliament. These are supplemented by the principal stakeholders in the private sector and civil society such as the business community, organized labor and NGO's.

### **3.2.2 Developing a nation of innovation = smart people + smart ideas**

To 'boost' the power of economic development and growth we have added the element of innovation. Traditionally the term innovation has been defined as "*the act or process of inventing or introducing something new*" or as "*a new invention or way of doing something*".<sup>45</sup>

From an organizational perspective innovation can be defined as follows:

*"Innovation . . . is generally understood as the successful introduction of a new thing or method . . . Innovation is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new products, processes, or services."* (Luecke and Katz, 2003)

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<sup>45</sup> Encarta® World English Dictionary.

In this report innovation is viewed from a broader perspective in the sense that not just business organizations, but the whole community (government, NGO's and inhabitants included) contribute to the further innovation of all areas of society to benefit of prosperity. In developing innovation on a nation-wide scale there are certain 'ingredients' that need to be present. In his opening speech during the Intel Developer Forum 2008, Craig Barret, Chairman of Intel brought forward in a very comprehensive way the three key aspects required for innovation and economic success in this era. A fraction of Mr. Barret's statement is quoted below:

*"What's the right formula to ensure your economic success? There are three things you can focus on: you need smart people (good education system), you need smart ideas (you need to invest in R&D) and you need the right environment for collaboration to get smart people together with smart ideas to invest in innovation."*

We believe that these three key aspects 'smart people', 'smart ideas' and 'the right environment for collaboration' are the building blocks for developing innovation for Aruba.

It should be emphasized that innovation should not be seen as a goal on itself, but as a means to enable Aruba to pursue sustainable economic development on the long run by creating a 'state of mind'<sup>46</sup> so that society as a whole - individuals, private and public sector - can grasp and develop new opportunities. This will ensure the sustainability of future developments.

### *Aspiration*

In 2025 Aruba will be the place where innovative people will share innovative ideas in an innovation-friendly environment. Aruba will be an internationally known center for innovative businesses. The island has all resources necessary to continue improving and to diversify the economy. As a small island, Aruba will be an international example of how to benefit from innovative sustainable technologies and ICT networks on all levels in daily life. A well developed economy, high quality jobs and employees who are viewed as human capital. Continuous investments are made, and Arubans pro-actively create win-win situations and (new) business opportunities. To become an innovative country, we will focus on four key outcomes.

### *Desired Outcomes*

#### *1. An innovative economic environment,*

Creating an environment that is featured by a collaborative and synergetic approach to economic development. Entrepreneurs are considered as the drivers for innovation. Two crucial aspects are accentuated to accomplish this:

- Generating awareness for innovation
- Developing (inter-)organizational skills and stimulate attitudes for management of innovation.

#### *2. A high-developed human capital to sustain the workforce,*

This achievement focuses on the attraction of talented people and also on the elevation of the level of education of the workforce in order to have high developed innovative people to sustain economic growth.

- Attracting (local) talented people (knowledge immigrants)

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<sup>46</sup> "Without changing our patterns of thought, we will not be able to solve the problems we created with our current powers of thought"  
Albert Einstein

- Elevating level of education of the workforce
  - Fostering innovative thinking
3. *A sustainable technology and ICT that benefits the community and that functions as a pull-factor for further innovation;*

To develop an Aruban community in which sustainable technology and ICT can develop and flourish to the benefit of all Aruban citizens. By facilitating access to these technologies, the Aruban people, entrepreneurs and government institutions will be able to boost their innovative capacity to the wellbeing of all. Some aspects to achieve this are:

- Facilitate access to ICT technology for all homes at low cost.
- Increase quality and lower cost of ICT technology to meet international standards for the benefit of the business sector.
- Encourage domestic development of green energy technology.
- Intensify exploration of affordable green energy technology by utility providers (partnered with foreign green energy providers) for countrywide benefit.
- Reform waste management systems.
- Attract research and development facilities for green energy and waste management.
- Develop Aruba as a showcase for sustainable green energy (long-term).
- Attract foreign green energy providers to showcase the latest technology in clean and green energy provision by emphasizing the diversity of green energy resources provided on the island.
- Continuously upgrading Aruba airport and port facilities with new technologies.
- Promote green building methods and the use of green energy technologies at home.

4. *A developed and well maintained sustainable society.*

A society that strives to be sustainable accepts a duty to seek harmony with other people in that society and with nature. Innovation is driven towards long-term sustainable solutions for current and future challenges. Lifestyles will adapt and innovative development paths will be created to respect and work within the island's nature resources. Key stakeholders in society will promote values that support these new ethics and discourage those that are incompatible with a sustainable way of life. In order to develop the Aruban community as a sustainable society to further support and encourage innovation the following aspects are deemed as important:

- Consider people as the central element in the system, evaluating the social, economic, technical and political factors that affect how they use natural resources.
- The social consequences of policy decisions will be thoroughly researched and possible negative effect mitigated.
- Relate innovative economic policy to environmental carrying capacity.
- Increase the benefits obtained from each stock of resources, and limit the depletion of resources.
- Promote technologies that use resources more efficiently.
- Ensure that resource users pay the full social costs of the benefits they enjoy.

*Social Architecture*

To achieve the above mentioned outputs each stakeholder will have to take accountability for some actions. Government provides the policy framework and collective means, the private sector creates facilities and makes use of (economic) opportunities, and the NGO's monitors the vision and tests plans and projects for sustainability, and can partake in developing and managing economic opportunities.

An important player for the social architecture will be the International Investment Platform/ International Business Platform. This platform will have the following goals:

- Building and maintaining the image of Aruba as an investment destination;
- Attracting investors and generating investment;
- Servicing investors to maintain and enlarge their presence;
- Assisting local companies in developing export opportunities;
- Advising the Government on measures and/or incentives needed to improve the investment and export climate.

It consists of a Public Private Partnership with separate funding, making use of the business attitude of the private sector and easy access to the necessary government departments. The IBP works closely with the Department of Economic Affairs, the Chamber of Commerce, the International Financial Center and Free Zone Aruba (FZA) NV.

In a nutshell: how to move Aruba, as a business destination, from unknown-undiscovered to unparalleled, and maintain that position.

Credibility	Visibility	
	Low	High
High	Undiscovered	Unparalleled
Low	Unknown	Undesirable

### 3.2.3 Enabling the international financial sector

As of the moment Aruba obtained the “status aparte” in 1986, Aruba is trying to develop its financial center. A financial center is considered of importance for Aruba, because it helps to diversify the economy of Aruba. Apart from a diversification of the economy, there are many advantages of a financial center, like attracting high skilled labor to Aruba, a low burden on the environment, a low burden on the social/medical system, etc.

Aruba has been investing considerably over the years in its financial center. Aruba has developed the AEC (Aruba Exempt Company) and has invested in keeping its legal and fiscal system in compliance with international standards. In 2003 the New Fiscal Framework was developed in this regard. To keep Aruba attractive for international fiscal and financial structures, Aruba furthermore introduced the Imputation Payment Company, the fiscal transparent company, the revised Aruba Exempt Company and as of January 1, 2009, the LLC or (in Dutch) VBA.

Furthermore, Aruba is in the final stages of closing various so-called Tax Information Exchange Agreements (TIEA’s) with different countries. The background behind these TIEA’s is that Aruba is currently placed on the so-called grey list of the OECD. One of the conditions to be removed from the grey list is to close at least 12 TIEA’s with other countries.

Despite all these investments and efforts, the financial center is still very modest on Aruba. To achieve the desired growth of the financial center, it is necessary that the public and private sector join forces and further develop the financial center. The Committee

Aruba Financial Center of the Nos Aruba 2025 project has laid down its ideas regarding this in this report.

### *Aspiration*

“In 2025 the financial sector has become the 2<sup>nd</sup> largest GDP driver of Aruba and contributes to the welfare of the overall Aruba community without straining the present infrastructure of Aruba”

### *Desired outcomes*

1. The establishment of a new pillar economy, a well known and respected financial sector. Superb service, friendly transparent tax regime (locally and internationally), including state of the art supervisory and regulatory regime that meets international standards
2. Advanced infrastructure in line with the International Financial Center
3. Highly educated people, broad field of professionals working in the International Financial Center and constantly recruiting new professionals
4. One entity is established and is responsible for the promoting and facilitating of the International Financial Center where requirements and formalities (inclusive of licenses, permits etc.) are handled efficiently
5. The Tax Department has a special unit dedicated to handle only matters of the International Financial Center
6. The Aruba Government has shifted the intense focus on tourism to a more mixed economic approach
7. Excellent international network through tax treaties and negotiating additional tax treaties and tax information exchange agreements to expand this network
8. On a regular basis, and based on mutual trust and respect, the business community, the Aruba Government and social interest groups discuss the vision for the future of Aruba, making plans and amending them should this be necessary.

### *Social Architecture*

Both local and international organizations and institutions are relevant for the establishment of a financial center. An extended group of institutions from the private sector and public sector are needed for the implementation of the aspiration statement and outcomes. Especially international treaties and regulations play a major role.

## **3.2.4 Sustainable tourism development**

*“Un Aruba Dushi Pa Biba ta un Aruba Dushi pa Bishita”*

The experience of the visitor is for a great part a reflection of the total experience of the population of the island, its lifestyle, its satisfaction (or lack thereof) of its physical surroundings, its physical and emotional well being, its level of education, a safe environment, its living standard, job opportunities, the possibilities to grow and prosper, the accessibility to health facilities and more. If the people of Aruba are happy and satisfied, then to a certain extent, our visitor’s vacation experience will be enhanced. Taking into account that Aruba already has a well-established tourism industry, with a developed hotel product and tourism infrastructure, and assuming that in 2025 the tourism industry will remain an economic pillar (whether by necessity or choice) than, for the tourism industry to be successful, the foundation of “un Aruba dushi pa biba” has to be well established.

### *Aspiration*

- In 2025 Aruba will be a nation of proud, happy, safe, healthy, fulfilled, well integrated residents who will wholeheartedly create an experience of warm hospitality, friendly and professional service for our locals and visitors alike.
- Aruba will have more economic growth than we have today
- Attract the best possible visitors; they will contribute financially beyond their vacation property and they will respect our laws, culture and environment. They will become Aruba's ambassadors in each of their countries.

### *Desired outcomes*

- a. Create/maintain the vision of sustainable tourism development
  - Reach consensus of the vision on a government level for a national integrated approach
  - Create a national body consisting of public and private sector to safeguard the vision and to determine the National Tourism Strategic Plan and policies and best practices
  - Establish a destination information governance and performance system to include an active business intelligence unit (Ryan Peterson)
  - Engage the Aruban community
  - Implement and monitor action plans
  - Conduct periodic studies
- b. Create a tourism environment that stimulates a healthy balance between the needs of the population and the needs of the visitor:
  - Slow the pace of growth whilst improving the visitor experience (Sam Cole)
  - Limit amount of rooms and tourism development to the needs of the population (jobs, social well being, and economic prosperity) and taking into consideration the geographical limitations of the island, the ecological/environmental/ consequences and water and energy and waste resources/limitations. According to the Sam Cole report, the limit is a total of 12,000 hotel rooms by 2043 based on the following study results: 1 new hotel room in Aruba induces 4 new jobs; one new hotel room is estimated to be about 6 times the land required for hotel room and associated tourist use;
  - Manage a balanced share of rooms between Brand Hotels, Boutique Hotels, Timeshare, and Condominium, apartments to avoid dependency on one chain or type of hotel. The Sam Cole report recommends expansion to take place only in locally owned/local involvement of boutique hotels.
  - Manage the amount of restaurants and activities based on the amount of hotel rooms, diversity of offerings and demand of the visitor
  - Choose and limit the geographical area for tourism development
  - Manage a certain density of visitors in particular areas to assure both visitors and the local population have sufficient space for recreation and enjoyment of facilities.
- c. Offer a quality tourism physical infrastructure

- Create incentives for hotel accommodations to remain consistently renovated
  - Create space for walking, jogging, biking and enjoyment of Aruba's main selling points (linear park is action point here)
  - Provide services and activities that are in demand or that set the trend and that comply with Aruba's cultural environment
  - Introduce stricter architectural guidelines and standards for hotel infrastructure
  - Re-use/recycle current hotel infrastructure instead of constructing more buildings
  - Beautify, preserve and maintain Aruba's natural attractions and enhance or develop them further to make them more user-friendly
  - Diversify by adding new products and services
- d. Provide an enriched visitor experience
- Create a professional and warm service environment
  - Create a safe environment
  - Offer opportunities for volunteerism programs
  - Encourage the interaction between locals and visitors
  - Create opportunities for the visitors to experience local cultural and artistic expressions, diversity of population and visitors, the soul and magic of Aruba and its people
  - Create accessibility for enjoyment of local attractions and parks
  - Create opportunities for promotion of local products
  - Provide a high quality culinary experience
  - Provide the option of relaxation and the option of an active vacation
  - Provide exclusivity through emotional connections, interaction of nationalities reflected in the local and visitor population, unique flora and fauna, high class as well as local
  - Diversification of product offerings to include wellness
- e. To maintain and improve transportation access, infrastructure and services to facilitate travel to/from and on Aruba
- Sufficient and diversified schedule of air service
  - Air traffic control improvement
  - Alignment and integrated approach for master plans of airport, harbors and roads fit in the total plan
  - Airport provides all services necessary to meet customer satisfaction and Aruba's tourism objectives
  - Harbor provides all services necessary to meet customer satisfaction and Aruba's tourism objectives
  - Traffic flow has improved through implementation of innovative ideas, infrastructural improvements and taking into consideration the carrying capacity results
  - Public transportation has become a desirable alternative for transportation
  - Taxi, car rental, tour bus permits are conditioned to professional service and adherence to regulations

- High quality roads and easy access are a norm
- f. Market Aruba as a restricted and highly desirable global brand
- Website – aruba.com serves as a global focal point to communicate the brand. All online and offline marketing activities will drive traffic to aruba.com. Aruba.com will be instrumental in building brand value, and serve as a platform to communicate the brand in depth and within the framework and parameters established by the brand strategy.
  - Globalization of brand – communication of the brand (color palette, logo, tagline, tonality, look and feel etc.) will have the uniformity necessary to maximize the effect in all the markets Aruba is present. The brand strategy will have the flexibility to allow Aruba’s brand proposition to be global in certain areas, while still be local in order to include the (cultural) idiosyncrasies of the markets and or region, i.e. a ‘glocal’ approach. Niche markets – A targeted approach matching desirable niche markets with Aruba as a highly desirable global brand.
  - Psychographic – Psychographic factors will determine the level of glocal in each market.
  - Geographic – Geographic markets will form the basic layer within which will pinpoint target markets.
  - Demographics – Demographics will determine the adequate attributes, such as HHI, age group, etc. to further select target markets within psychographic and geographic clusters.
  - Choice of strategies/tools – Best practices will determine the strategies and tools that will applied. Strategies and marketing mix will also be shaped by the efficiencies and effectiveness measured dynamically compared to best practices and results as well as benchmarked with industry standards and competitors.
  - Product and services are aligned with the brand promise and brand communication. Visitor experience will be assessed and monitored in order to assure that Aruba lives up to the brand promise. Measures will be taken to solidify and enhance the experience of Aruba’s customer, focusing, but not limited to the core of Aruba’s brand (USP’s).

## CHANGE PROCESS Nos Aruba 2025

	LEGISLATION	DIALOGUE	AWARENESS	OTHER ACTIVITIES
Consolidating the development of the Aruban economy by means of diversification	<ul style="list-style-type: none"> <li>▪ Facilitate regulations and create fiscal incentives for investors (local and international)</li> <li>▪ Institute moratorium for hotels, timeshare and condominiums</li> <li>▪ Revise and adapt LTU (3 year worker permit system)</li> <li>▪ Flexibility of immigration laws and policies for knowledge immigrants and their families</li> <li>▪ Introduce flexible labor laws</li> <li>▪ Create legislation regarding IFC</li> </ul>	<ul style="list-style-type: none"> <li>▪ Create Foreign Investment Platform</li> </ul>	<ul style="list-style-type: none"> <li>▪ Foster and promote innovation as part of education programs</li> <li>▪ Introduce award to recognize innovative thinking</li> <li>▪ Introduce award to recognize level of service for hospitality sector</li> <li>▪ Branding of Aruba: create one global identity National awareness catering locals to support sustainable tourism campaigns</li> </ul>	<ul style="list-style-type: none"> <li>▪ Provide incentives to minimize brain drain and repatriation of talent</li> <li>▪ Implement ILO recommendation for AOV</li> <li>▪ Introduce incentives for continued labor participation for elderly citizens</li> <li>▪ Enforcement of ROP and ROPv</li> <li>▪ Develop IME's</li> <li>▪ Create innovation and research program at school</li> <li>▪ Develop internship programs and scholarships for foreign innovation programs</li> <li>▪ Eliminate barriers for domestic green energy technology</li> <li>▪ Eliminate taxes and duties on import and development of green energy technology</li> <li>▪ Stimulate corporate responsibility &amp; entrepreneurship</li> <li>▪ Create Research and Development facilities</li> <li>▪ Adherence to report NSPF</li> <li>▪ Introduce improved child care facilities</li> <li>▪ PC/broadband for all homes, schools and libraries at low cost</li> <li>▪ Create facilities and promote IFC</li> <li>▪ Discuss/benchmark budget costs needed to get IFC started and share costs</li> <li>▪ Create special unit within the SIAD to handle only matters of the IFC</li> <li>▪ Assess on current basis telecommunication infrastructure</li> <li>▪ Assess on current basis airlift and travel connections</li> <li>▪ Implement lineal park (Public Private Partnership)</li> <li>▪ Developing and enforcing criteria to conserve Aruba's esthetics and architectural heritage</li> <li>▪ Create Aruban Tourism Satellite Account</li> <li>▪ Develop a national quality training program for all personnel in tourism</li> <li>▪ Maintain, restore and reuse of buildings, with historical value (stadsvernieuwing)</li> <li>▪ Improve safety and security services to residents and tourists</li> <li>▪ Enhance cultural aspects at main tourist arrivals</li> <li>▪ Create tourism module at curriculum for schools</li> <li>▪ Improve transport and mobility on the roads</li> <li>▪ Stimulate tourism development in high end niche segments</li> </ul>

## **Environment:**

### **Protecting the environment and promoting a conscious use of natural resources**

*We value clean sea, air, land and our local flora and fauna and invest in their preservation and the management of a sustainable environment. For 2025 Aruba is a Clean and Risk Free Environment complying with all International Environmental Standards and within the Top Ten countries.*

*In 2025 Aruba will have reduced its fuel import by 50%. The Aruban transportation-system has shifted increasingly from being fossil-fuel energized to being energized by renewable energy sources. Also fixed transportation options have been introduced on the island, thus eliminating the need to expand the road-infrastructure. This has prevented Aruba's natural heritage to be lost to asphalt-& concrete-structures. Arubans plant vegetables, fruits and herbs and raises livestock and fishes for its own use and well-being, reducing the dependency on the import of food. Aruba is partially self-sufficient and the successful AruVegAll program stimulates our own production resulting in less dependency of imports on vegetables and tropical fruits from other countries.*

### 3.3 Environment: Protecting the environment and promoting a conscious use of natural resources

Aruba is a small island with valuable resources and a fragile environment. A sustainable use of Aruba's resources will lead to a better quality of life for Aruba's population and future generations so each one can experience and enjoy the beauty of Aruba's environment.

Clean sea, air, land and preservation of local flora and fauna can be realized if there is investment in the preservation and management of a sustainable environment. In this sustainable environment Aruba will have reduced its fuel import by 50%, generating mostly its own natural energy resources. In addition, the dependency on the import of food can be reduced and Aruba will be able to produce a part of their own organic food by 2025.

Land degradation should be avoided. Waste management is a priority owing to the health impacts. The promotion of sustainable energy technologies and practices is a must given the impending threat of climate change to this small island of 100,000 people and 1 million tourists on an annual basis.

Whatever decisions we have to take from now on we have to consider the next generation by carrying the consequences in our own generation through sustainable use of the earth's resources without withholding the pleasures of a healthy sustainable environment.

The following needs attention regarding environment/natural resources/energy:

- Government has to change their short-term priorities for economic development and poverty alleviation to long term sustainable development. Sustainable development entity under one unit. This is only possible in combination with a sound environmental and nature policy;
- Environmental indicators have to be introduced;
- National plan on energy management;
- Make use of available resources (human & material);
- Put available starter packages (organic seeds) for food supply (small scale);
- Reduction fossil fuels & carbon credits ;
- There is no attention for energy management awareness;
- There is a need for environmental friendly building codes: higher roofs are less hot and use less air-conditioning;
- Commercial buildings & offices has to set their air-conditioning on a higher temperature (make use of less energy). Dress codes have to change;
- Individually one can make use of water from the air-conditioning for plants. Recycle water;
- Introduce deposits on bottles (statiegeld);
- WEB has to go on more environmental friendly strategies;
- Grow more trees and plants around houses (formulate standard criteria's for this);
- Government/or private sector can buy garbage;
- Aruba isn't clean at the moment;
- Create more awareness, starting from the kids;
- Set up a curriculum focused on environment;
- Judicial sanctions "snel recht";
- Special law enforcement law environmental comic ion;
- Fiscal incentives – lower import duties on green products;

- Green libraries – green buildings (government can give the example role);
- Incentives for hotels to think green;
- Financial incentives to deliver your waste – buying waste;
- Avoid waste of food (restaurants and wholesalers);
- International “green energy forum”;
- Total commitment from society as a whole is needed;
- Individual actions have immediate effects;
- Think global, act local;
- Environmental awareness/education;
- Fiscal incentives on environmental technologies;
- Environmental Laws;
- Spatial Planning;
- Polluter pays/sanctions;
- Protection of nature/laws to protect some areas;
- Sustainable development/weigh up economic development against environmental & natural aspects;
- Comply with international obligations (example on emissions);
- Introduce buying of garbage;
- Stimulate planting: offer material to plant, introduce vegetable garden, small gardens at schools;
- Solar panels for governments building;
- Landscaping: integrate local fruit plants in landscaping, learn the community to plant;
- Mini-market at the Centro di Bario’s;
- Decentralize information on planting & cattle breeding (digital), use this as a business opportunity;
- Let schools adopt an project/initiative to put their knowhow & experience at their disposition;
- Farmville–make use of plots in neighborhoods for the community to plant/make use of green houses;
- Plant on roofs of buildings;
- Companies that reuse water can deliver this water for planting;
- Introduce vegetable gardens at schools;
- Give more value to our flora & fauna;
- Subsidize the purchase of low energy products (green products);
- Change lights to led lights or lights that use less energy;
- Create an organization that is in charge of supplying all the resources needed to develop research alternative energy just like an incubator;
- Raise population’s awareness of what each person can do to save energy, recycle, and things that can be done at home;
- Government should facilitate, not only regulate, laws should be renewed in order to foster alternative energy;
- Adapt building codes with green & renewal concepts;
- Clear regulations on gas emissions (cars/individuals/industry);
- Promote recycling;
- Waste management (individuals/industrial);
- Educate community on environment resources on how to use and keep them;
- Minimize, dependency on ultimate companies (adapt law to the use of alternative resources);
- Processing of hazard waste;

- Implementation of green house concept;
- Doing by giving the good example. Start at home. Walk the talk;
- Put containers in the neighborhoods to keep it clean;
- Fight wasting/recycle more;
- Stop with the culture of throwing things away;
- Inform the community about : importance of keeping Aruba clean, waste separation;
- Make an environmental law and implement it;
- Recycle at home, schools, companies;
- Awareness about i.e. what to do with garbage;
- Reevaluate agriculture: problems are space, water, incentives and commitment of the farmer;
- Infrastructure: what to do with chemical waste, glass, old paper;
- Focus on local agriculture production;
- Use of public transportation;
- Sanctions on pollution;
- Awareness & education on the importance of a clean Aruba & safe with a good structure for the environment;
- Laws & regulation; a basic law/regulations/Basic laws to protect Aruba's environment, revise, implement & execute our laws. There is a need for a firm bases for the management of our environment;
- Intensify our agriculture/diversify with sustainable projects related to our environment that can benefit our food supply;
- Alternative projects wind/biomass/sun;
- Make use of our natural resources;
- Make use of resources that are available & effective;
- Regulation of energy and marketing;
- Separate entities for distribution;
- Total commitment from society as a whole;
- Individual actions have immediate effect;
- Think global, act local.

### **3.3.1 Clean and risk free environment**

Aruba is a small island state with valuable resources and a fragile environment. We need to respect our environment and take better balanced decisions not only for economic gain but also for aesthetic purposes for our enjoyment of this and for future generations.

Land degradation should be avoided. Waste management is a priority owing to the health impacts. The promotion of sustainable energy technologies and practices is a must given the impending threat of climate change to this small island of 100,000 people and 1 million tourists on an annual basis.

Whatever decisions we have to take from now on we have to consider the next generation by carrying the consequences in our own generation through sustainable use of the earth's resources without withholding the pleasures of a healthy sustainable environment.

#### *Aspiration*

We value clean sea, air, land and our local flora and fauna and invest in their preservation and the management of a sustainable environment.

*“For 2025 Aruba is a Clean and Risk Free Environment complying with all International Environmental Standards and within the Top Ten countries.”*

## Desired Outcomes

1. *Environmental laws that help ensure the sustainability of our natural environment are being implemented.* To have a healthy and eco-friendly island, environmental laws should be applied and enforced on the inhabitant of the island, visitors, all companies established on the island (e.g. Small business, Hotels, and Chemical Industries), and future investments. Government and many NGO's and individuals, have been doing tremendous work on awareness programs and campaigns regarding a clean environment for a long period of time. This however has shown not to be enough to the satisfaction of a healthy environment and should therefore be complimented with strict laws, which are to be applied by citizens, corporations and government, in this way, minimizing the continuous damage, willingly or unwillingly due to the lack of environmental laws.
2. *High International Environmental Standards & Environmental Sustainability Indicators are achieved.* Indicators to measure our goal will be based on "Environmental sustainability indicators" used by the UN and OECD countries. Environmental indicators are essential tools for tracking environmental progress, supporting policy evaluation and informing the public.  
Environmental Sustainable Indicators are:

Environmental Core Indicators	Specific Indicators
Atmosphere	CO2 emissions, air quality of dangerous chemicals in atmosphere (dangerous to ozone layer or humans)
Land	Land use agriculture, forest, desertification, urbanization, natural resource stocks
Biodiversity	Number of species, protected areas, ecosystem.
Environmental quality	Waste management, energy resources.
Fresh and waste water	Quantity of water use, Access to safe drinking water, water quality, quantity of waste water, cleaning of waste water, water supply.

For now there are no official monitoring indicators, nor wide range of figures available, to compare and evaluate the status of the environment, which are necessary to measure progress and performance. Environmental sustainability indicators must be part of the Statistical Yearbook of the Central Bureau of Statistics of Aruba and other publications, such as magazines and newspaper.

3. *Environmental Management Authority (EMA);* The need of an Environmental management Authority emerged out of the different events organized as well as from the Wild Aruba workshop. At present there is no Nature and Environmental Policy department. At least three Ministers have decision-making tasks that involve Nature, Environment and its protection and/or management, but there is no clear department in charge of policy making and or coordination of execution of management tasks regarding environment to resort under the Ministry of Environment. Although the various government departments and other entities, both commercial and environmental NGOs, undoubtedly contribute to nature protection in some form, there is a lack of coherence in policy and execution of tasks. A strong and coherent

integrated policy towards nature conservation is needed to counterbalance economical development which is usually profit driven and much focused in achieving its goals. A well organized and independently operating environmental management authority is also crucial to coordinate compliance to internationally acknowledged treaties for the protection of nature and to advice responsible decision making regarding the sustainable development of Aruba's territory. In order for the Environmental Management Authority to get accurate and timely data and facilitate decision makings regarding environmental policies an autonomous Meteorological Service of Aruba (now under Curacao N.A.) is also required.

4. *Invest in the preservation and the management of a sustainable environment.* Aruba works towards reducing and offsetting its carbon footprints (CO<sub>2</sub>) and uses it to attract tourism. All barrios and schools are connected through bicycle paths/tracks with way of preference. *Everybody is aware and educated about the importance of nature and acts accordingly to protect it.* Aruba uses abundant alternative energy sources of sun, sea and wind in a way that is not at the cost of society.
5. *Households, schools and companies have gone through mentality change and Refuse, Reuse, Reduce, Recycle, Restore. 5 – R behavior.*
6. *Aruba makes efficient & responsible use of the limited land & prudent use of natural resources.* Aruba's environment is reforested with local plants and trees.

Aforementioned desired outcomes and indicators we must achieve are not only important for us and our future children that live here in Aruba. It is also important for the image we give to thousands of visitors who visit us. These visitors come from many countries including the USA and Europe. Some of these countries are becoming front runners in setting goals for a sustainable environment and energy management. Keep in mind "Un Aruba dushi pa biba, ta un Aruba dushi pa bishita".

### *Social Architecture*

Behind every great aspiration, in this case "conservation of our social, cultural and natural heritage and resources as a basis of our existence", one must have a social architecture that will give an overview of the key-stakeholders that will help an aspiration to become a reality. Key stakeholders need to support the dream of sustainable development and must be hold accountable for their input...

For Aruba to develop and maintain such a sustainable system, a social architecture consisting of the private sector, NGO'S and GO'S must be setup to invest in the conservation of our social, cultural and natural heritage and resources as a basis of our existence. These should consist of sustainable initiatives and development that maintains prosperity and contribute to a balanced quality of life.

Further establishment of the following institutions will be necessary;

- Environmental Management Agency (EMA): one entity to manage environment
- Environmental Supervisory Board
- Environmental Progress Forum: to be held every two years with all stakeholders, to evaluate the Environmental Sustainability Indicators and measure progress.

### 3.3.2 Energy management for a sustainable development

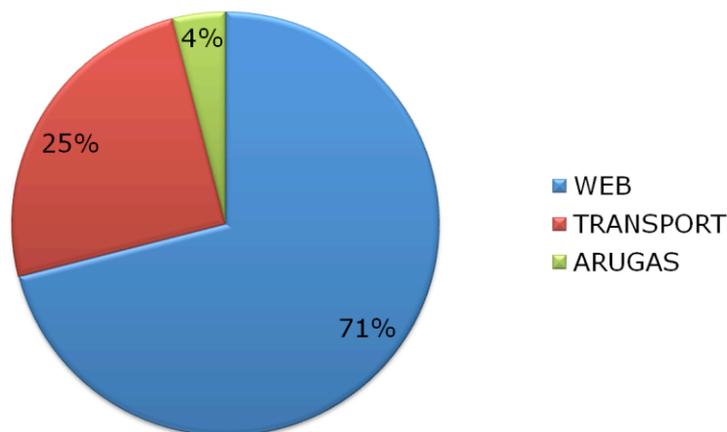
Fossil fuel is imported from countries all around the globe as the primary energy source in Aruba. Its availability and pricing is prone to a variety of external factors, such as:

1. Increasing global demand and decreasing availability,
2. Geo-political developments and
3. Environmental costs, just to mention some.

And because of these dependencies, it will increasingly become, more and more, a source of uncertainty for the economies of countries that don't have crude-oil and/or gas, as natural resources, themselves. Aruba is no exception to this.

The given chart gives a graphical impression of where our imported energy is being used for.

**FUEL IMPORT 2008**



The need for an energy management that foresees for a sustainable development is therefore even more important in the coming years. The NISP foresees an island, where the use of our own natural renewable energy sources is maximal and the use of environmentally unfriendly fossil fuels is minimal. An Aruban community:

- aware of waste hazards,
- efficient in its use of the available renewable resources and
- protecting a healthy environment for their future generations.

Maybe bold pretensions, but desperately necessary, to ensure that our children and their children still will be able to enjoy our flora and fauna. The aim is that in 2025 the Aruban population will have reduced imports of fossil fuel to less than half of its total imports compared to 2009.

#### *Aspiration*

*“In 2025 Aruba will have reduced its fuel import by 50%”*

In 2025 the Aruban transportation-system has shifted increasingly from being fossil-fuel energized to being energized by renewable energy sources. Also fixed transportation options have been introduced on the island, thus eliminating the need to expand the road-infrastructure, compared to 2009. This will prevent even more of Aruba's natural heritage to be lost to asphalt-& concrete-structures.

So, the above-mentioned aspiration, “Reducing Aruba’s dependability on imported fossil fuel”, is of utmost importance:

1. to maintain our current economy at its current level or even expand it,
2. to maintain our comfort, both at home and at work, at an acceptable cost,
3. to protect our venerable environment, so that our future generations still can experience and enjoy the beauty and ‘feel’ of it.

### *Desired outcomes*

The desired outcomes are consistent with the vision, as the formulated mission statement.

1. A well defined and sound educational system in place for a sustainable development  
Imperative to embracing a sustainable development for Aruba and diversifying our economy is that we elevate our intellectual level. In order to implement Renewable Energy Technologies (RET’s) and diversifying our economy we need intermediate and highly skilled local professionals.
2. Clean energy consumption and waste processing as a life style.  
An attitude change toward waste, its disposal-methods, the efficiency of the processing methods and producing less by an efficient life-style are of utmost importance. The people of Aruba have to be also well aware & educated in protecting the environment, in the use of alternative energy & energy management. So we can assure the next generations will have at least a pleasant environment to live in.
3. Less fossil and more renewable energy consumption  
Energetically, it is desired to have reached a situation where we, compared to 2009, will be less than 50% dependent on energy, generated from fossil fuels. This means, both our needs for electrical energy as for fuels for our transportation needs. The use of locally available natural resources is maximized.
4. A good and well defined infrastructure  
N.V. Elmar has a good and well-defined infrastructure in place. This infrastructure comprises a versatile distribution grid. In the existing situation electricity is produced in only one place and consumed in many. Essential to our plans is a decentralized production of electrical-energy. Thus, electrical-energy will no longer flow from just one producer to many consumers and no longer in just one direction. To some degree, in the near future we may all become both producer and consumer of electrical-energy.

### *Social architecture*

The Energy Management Commission will continue to exist and will meet with the parliament, with the Chamber of Commerce, the ATIA, the banker’s organization, different government departments and the utilities to discuss the proposed actions. A permanent Energy Regulatory Board (ERB) is institutionalized to regulate energy market specifics, like energy pricing for consumers, producers and distributor. It will create an environment for reliable energy availability (spinning reserve). The ERB is a board similar to the utilities board, with representatives of government, private sector and consumers.

### 3.3.3 Promoting sustainable food supplies

In this volatile price environment, evidence examined by the research team suggests there are seven fundamental pressures – two associated with demand and five with supply-side factors – whose combined effects have the potential to cause a tightening of overall capacity in food markets. Left unaddressed, they threaten to lead to a significant deterioration in the balance between the global demand for food and the capacity of world agriculture to supply it.

The first fundamental is a rapidly rising world population. The second fundamental is the effect of the ‘nutrition transition’. The fourth fundamental is land. The fifth fundamental affecting food production is water. The sixth fundamental, is climate change. The seventh fundamental is labor.

#### *Aspiration*

To reduce the dependency on the import of food, because Arubans produce a part of their own organic food locally by 2025. Arubans plant vegetables, fruits and herbs and raises livestock and fishes for its own use and well-being. This is accomplished in the “AruVegAll” program. Aruba is partially self-sufficient and the successful AruVegAll program stimulates our own production resulting in less dependency of imports on vegetables and tropical fruits from other countries.

*“Reduction of dependency of imports on vegetables and tropical fruits with 10% by 2025”*

#### *Desired Outcomes*

The objective is to teach the Aruban community how to grow our own vegetables, fruits, fishes, raise livestock and have the possibility to develop small entrepreneurs that can start their own business or even for their own consumption. This can be achieved with;

- An Organic seed bank
- Education and awareness
  - Educating the Arubans of the importance of sustainable food supplies
  - Informing the public about the consequences of consuming Genetic Modified Organisms (GMO’s)
  - Using the soil properly and efficiently in order to protect it from being depleted
  - Educating the public about the efficient use of the available space (in your garden)
- Programa Internacional di Agricultura (PIA); this program will synergize the partnership between public and private entities to create an awareness program for the community
- Starters packages with seeds, soil test together with a soil food web analysis and information on usage
- Ratified bio-safety protocol
- Protocol on organic growing
- A Farmers market and farmers’ cooperative Farmers produce and cultivate meat, fish and or shrimp to sell it on the market.
- Rethinking and implementing the use and storage of rainwater

#### *Social Architecture*

In order to achieve the aspiration one must have a social architecture that supports the outcomes and will take accountability for the execution of the proposed actions. Private

sector, government organizations and NGO's have all their own responsibility and need to collaborate in the establishment of an organic seed bank, the PIA and the farmers market that will support these initiatives.

CHANGE PROCESS Nos Aruba 2025				
	LEGISLATION	DIALOGUE	AWARENESS	OTHER ACTIVITIES
Protecting the environment and promoting a conscious use of natural resources	<ul style="list-style-type: none"> <li>▪ Create, and enforce environmental laws (existent and new) and policies to comply with international environmental standards</li> <li>▪ Eliminate taxes and duties on import and development of green energy technology</li> <li>▪ Ratify international protocols</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establishment of Environmental Management Authority</li> <li>▪ Establish an environmental Supervisory Board</li> <li>▪ Institute an Energy Regulatory Board</li> <li>▪ Yearly summit to align private, public sector and environmental NGO's</li> <li>▪ Environmental Forum every 2 years</li> <li>▪ Continue Climate Change Commission</li> </ul>	<ul style="list-style-type: none"> <li>▪ National awareness campaign and education programs on sustainable environment</li> <li>▪ Inform and stimulate the public about the importance of sustainable food supplies trough education and awareness campaign</li> <li>▪ Make environmental indicators public to create awareness</li> <li>▪ Awareness programs on carrying capacity</li> <li>▪ Educate community on sustainable development and environment</li> <li>▪ Awareness programs on environment and energy management</li> <li>▪ Awareness programs about importance of sustainable foods supplies</li> <li>▪ Awareness programs on green energy use</li> </ul>	<ul style="list-style-type: none"> <li>▪ Introduce and monitor environment sustainability indicators</li> <li>▪ Eliminate barriers imposed by utility companies for domestic and commercial use of green energy</li> <li>▪ Review building codes for conserving energy</li> <li>▪ Implement energy efficiency at public buildings and schools</li> <li>▪ Create incentives to promote the 5R's (Refuse, Reduce, Reuse, Recycle and Restore)</li> <li>▪ Introduce recycling bins for cans, bottles, paper, plastic</li> <li>▪ Create recycling facilities</li> <li>▪ Institute a department on Environment and Energy</li> <li>▪ Introduce AruVegAll program</li> <li>▪ Stimulate SFS by introducing starters packages and local farmers markets</li> <li>▪ Introduce environmental police</li> <li>▪ Establish autonomous Meteorological service for Aruba</li> <li>▪ Develop environmental curriculum in schools</li> <li>▪ Create marine park</li> <li>▪ Protect national Park Arikok</li> <li>▪ Efficient use of our limited territory</li> <li>▪ Implement mobiliteitsplan</li> <li>▪ Realize environmental impact studies and evaluation for public and private investments</li> <li>▪ Introduce bicycle paths</li> <li>▪ Realize study for (partially) liberalization of energy market</li> <li>▪ Create and maintain water retention ponds/drainage</li> <li>▪ Reforestation with local plants</li> <li>▪ Stimulate use of green energy technologies</li> </ul>

## Political:

### Promoting Good Governance

*In 2025 all citizens feel like subjects and not like objects, governed by an accountable, efficient, effective and transparent public sector. There is public and private partnership focused on a sustainable & diverse society that produces benefits in terms of wellbeing and the development of each citizen's personal capacities. **Being a subject means that citizens have access to quality information and are taken into consideration regarding their needs while given participation in the policy development- and public decision-making process. A public and private partnership is based on trust, knowledge and acceptance of each other's unique responsibilities, including a code of ethics. This partnership is built on a structured and continuous consultation between all stakeholders. The private and the public sector and individuals follow the principles of good governance.***

### 3.4 Political: Promoting Good Governance

Political commitment is essential and a precondition to achieve a sustainable development. But more important is that all the partners involved practice good governance principles. Transparency and a continuous dialogue between all relevant parties, sharing of a common vision for the future should be high in the agenda's.

#### 3.4.1 Putting Good Governance principles in practice

We define governance as the traditions and institutions by which authority in a country is exercised for the common good. This includes:

1. the process by which those in authority are selected, monitored and replaced;
2. the capacity of the government to effectively manage its resources and implement sound policies;
3. the respect of citizens and the state for the institutions that govern economic and social interactions among them.

Government has been along the centuries the basic mechanism to manage a country's affairs. A democratic government operates on the basis of the principle of representation, through which people pass the responsibility for decision-making to their elected representatives and the organs of the State. Once this responsibility is passed, people somehow become disconnected from the decision-making process until the next opportunity to either renew or withdraw the decision-making mandate at election time.

Governance, instead, is a method of managing public affairs in a participatory manner, so that people may have a direct and ongoing voice in the making of the decisions that affect them, as well as in the process of implementation of the same. By the participatory nature, governance fosters continuous relationships and partnerships among all the members of the society. Although government is one of the mechanisms of governance, a multiplicity of mechanism and processes are part and parcel of a healthy and sophisticated governance system, for example consultative mechanism, national dialogue, coalition or community council.

Partnerships are thus at the very essence of governance. In effective management of institutional relationships, isolation and control have given way to linkages and negotiations. The old-style —government has been replaced by —governance, thereby acknowledging that government does not act alone, but rather in partnerships. These partnerships are wide-ranging, depending upon the goals. Indeed, at the launch of the 21st century, leadership is often defined as the ability to create —vision that provides the impetus for creating partnerships and the glue for maintaining them. —Governance partnerships are essentially the organizational pattern for the future, internationally, regionally, nationally and locally.

#### *Tendencies of the governance sector in the world*

- Public participation
- Emphasis on national security
- Need for more rules and regulations
- Compliance with a balanced Budget
- Transparency in decision-making and dissemination of information in respect to passing laws
- Increased focus on the issue of good governance
- Transparency and accountability in private and public sector

- Focus on norms and values
- Communication between stakeholders
- In the process of decision-making the opinion of all relevant stakeholders must be considered through the exchange of information, discussion, consultation and debate (national dialogue) when important decisions are being considered

### *Aspiration*

In 2025 all citizens feel like subjects and not like objects, governed by an accountable, efficient, effective and transparent public sector. There is public and private partnership focused on a sustainable & diverse society that produces benefits in terms of wellbeing and the development of each citizen's personal capacities.

Being a subject means that citizens have access to quality information and are taken into consideration regarding their needs while given participation in the policy development- and public decision-making process.

A public and private partnership is based on trust, knowledge and acceptance of each other's unique responsibilities, including a code of ethics. This partnership is built on a structured and continuous consultation between all stakeholders.

The private and the public sector and individuals follow the principles of good governance. The principles are visible and tangible, by means of values, norms, impartial laws and law enforcement.

Our citizens perceive spiritual and material wellness both on an individual as well as on a societal level.

### *Desired outcomes*

1. A pro-active government acting on the principles of good governance, which are: accountability, transparency, integrity, efficiency, leadership, rule of law and participation. This is visible through:
  - Budget follows policies based on priorities & feasibility
  - Realistic policies are implemented in order to sustain the Aruba vision 2025 via qualified policy-makers
2. Consider national and international relations: regarding our constitutional status, Status Aparte or Independence, relationship within the Kingdom of the Netherlands and with the European Union.
3. Access to information and good communication through national dialogue and community participation: from information to consultation and active participation, the influence citizens can have on policy-making builds up.
4. Create a culture of accountability with re-enforcement of transparency: this is critical in fighting corruption in the public sector and include the need for mentality change by the government.
5. Appropriate laws are in place, by for example introduction of the Wet Openbaar Bestuur (WOB) and introduction of Ombudsman. This includes the implementation of laws to improve the practice of good governance.
6. Practice of Corporate governance: covers public and private sector governance and is about performance, conformance and the way public servants and employees take decisions and implement policies.

### *Social Architecture*

Considering the importance of an effective management of institutional relations and the process of consultation that is recommended to be used by policy makers the institutionalization of a structured National Dialogue System is necessary. This should be

based on the tripartite consultation between the public sector, private sector and civil society. A more and efficient communication structure within the government and between the partners is a prerequisite.

In order to achieve good governance this sector should focus to:

- Be more customers oriented (for whom do I/you work?);
- Be more output and performance oriented, produce the product/ service and be present 8 hours a day at work;
- Be more preventive versus curative ( Harbor problem – Barcadera/ will create environmental problem);
- Value is the base;
- Commission 2025 to actively monitor the laws – creation of laws, implementation of laws and the prioritization of laws;
- To professionalize the media and bring the difference between news and information – reinforce the role of educator of the nation;
- Search for role models for good governance and focus on it;
- Use social organizations to stimulate Good Governance;
- Reactivate the bario's: highlight the positive aspiration, cleaning together, know your neighbor;
- Start with yourself (Me);
- Access to information & redress;
- Adequate legislation & procedures planning, execution & accountability, annual budget;
- Education & Information on integrity, good governance in public & private sector, civil society;
- Government hiring of employees based on right man on right place, professional education & experience;
- Government documents on internet: to get dialogue, to give feedback, too much bureaucracy, feeling that government does not know what they have, more transparent;
- The annual accounts of Aruba will be handled next year by the states (2004-2005), fictitiously refusal = approval, activation publication duty;
- Control & Monitoring;
- Laws should be changed to current situation;
- Parliament must work as it is suppose to work (objectively);
- Stipulate policy priorities framework: new laws – check what is needed and existing laws – implement and reinforce;
- Modernize/Update laws example telecommunication law/ LMA, evaluate if the law is actual, create an implementation (protocol), adapt the old laws;
- Regulate salaries on basis of education level and private sector;
- Registration of data: transparent, expertise to interpret and evaluate the policy;
- Give the directors of the public service more authorization to act against dysfunctional workers;
- Info desk: to link data from different department;
- Motivate students to come back;
- Good structure to reorganize the government departments;
- Persons who are not capable for their job, measures have to be taken ( right person on the right job) ( No more political nomination);
- Control ( work inspection and establishment permission)
- Continuation of policy;
- Take decision;

- Legislation experts: their work is boring, they change work every time, they go to the private sector- more stability, deficiency of legislators, stimulate legislators to specialize in legislation;
- Digital information must be acceptable;
- Just implement the actions;
- Enforcement, Accountability and Consistency are essential;
- Establish an Ombudsperson;
- Have conducive Parliament hearings;
- Implementation of laws based on international legal basis (based on human rights);
- Introduce Quarterly interdepartmental report;
- Monitor law procedures;
- Plataforma Nos Aruba 2025 must be continued;
- Monitor the laws of institutionalization of Nos Aruba 2025 and implement and monitor;
- Professionalism of the media;
- Look for good role models of good governance;
- The public must communicate and must be able to communicate with the government authorities;
- Our “dushi” Papiamento and identity: must use see it and respect it. Think about our cordiality and identity;
- Education has priority and must be a priority.

CHANGE PROCESS Nos Aruba 2025				
	LEGISLATION	DIALOGUE	AWARENESS	OTHER ACTIVITIES
Good governance principles	<ul style="list-style-type: none"> <li>▪ Introduce good governance principles, ombudsman and Code of ethics</li> </ul>	<ul style="list-style-type: none"> <li>▪ Institutionalize a structural national dialogue system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Educating citizens on good governance principles</li> <li>▪ Awareness about concept of good governance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Foster regional and international relations</li> <li>▪ Stimulate accountability and transparency</li> <li>▪ Introduce education programs for public servants on integrity, accountability, transparency etc.</li> <li>▪ Develop a responsible and effective organizational structure for NGO’s based on principles of good corporate governance</li> <li>▪ Decision making on Herziening bezoldigingregeling and Kerntakenanalyse</li> <li>▪ Capacity building government institutions and subsidized entities</li> <li>▪ Accelerate legislation process (preparation and approval by Parliament of laws)</li> </ul>

## **PART IV IMPLEMENTATION of ACTIONS**

## PART IV IMPLEMENTATION of ACTIONS

### 4.1 Strategic Resources

When preparing a strategic plan it is necessary to identify the *strategic resources*. Strategic resources can be tangible like for example cash and fixed assets, but also intangible like relationships, individual capital, collective capital and natural advantages. Relationships can be individual or corporate. Individual capital includes knowledge and skills that are owned and controlled by individuals. Collective capital includes knowledge and skills that are shared and are controlled without reference to a single person's or organization's expertise. And natural advantages consists of factors such as climate, water, mineral, oil or gas deposits that can be exploited to benefit the sustainable development of the economy.

Experience has taught us that in the case of Aruba not only cash and fixed assets are important resources but the intangible resources can be even more important, specifically the individual and collective capital; and the relationships. In the NISP no references have been made of the cost of implementation. This will come in a later stage. The information in the NISP will be used to plan the investments in the government budget, to prepare the 4 year program (meerjarenprogramma) of the Fondo Desaroyo Aruba (FDA) and to search for additional international funds such as the European Development Fund and others.

As the strategic resources are scarce, it is imperative that priorities are taken. In the roadmap we find all the outcomes necessary to achieve the vision in 2025, in addition specific actions for the period 2010-2013 have been identified by the commissions. Still those actions will have to compete with each other for the same strategic resources, making it necessary to prioritize.

However, many of the actions presented in the NISP can still be executed within the regular budgets from the responsible government departments as they are normal activities within their responsibilities. It is also of great importance to start with those activities that need less financial means and those activities that will result in the generation of additional funds.

### 4.2 Social Architecture

Basically everything in the current governance of Aruba has been influenced by the design and choices of its social architecture in the past. How hard do we work; who interacts with whom; how closely is the collaboration between sectors and organizations; how free are individuals to innovate; how is the performance of the work groups? These are all factors that are directly shaped by the social architecture. The social architecture of Aruba is not only important to realize the goal of the NISP, which is a sustainable Aruba, but it is also a key ingredient to the sustainability of the mentality change to realize the goal of the NISP. Thus deep changes in the social architecture of Aruba are a primary factor for a sustained success.<sup>47</sup>

Not only the existent relations and institutions/organizations will play an important role in the execution of the NISP, but the future relationships and institutions/organizations are also needed. A general and overall institution suggested in the NISP is the Tripartite

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<sup>47</sup> Ludema, Whitney, Mohr and Griffin, the Appreciative Inquiry Summit (San Francisco 2003).

Platform. In addition, the commissions have come up with the following changes towards a new social architecture that need to be established or created over the next years. These have been elaborated throughout this document and are as follows:

- Platform for Lifelong Learning;
- Central Point for Community Exchange (CPCE);
- Health Care foundation and a Sports Platform;
- Foreign Investment (International business) platform;
- International Financial Center entity;
- National Tourism Body;
- Environmental Management Authority (EMA) and Environmental Supervisory Board;
- Energy Regulatory Board (ERB);
- National Dialogue System/Consultative Body/Tripartite consultation.

To make this possible the institutionalization of the strategic planning process has to take place and the tripartite platform will support the proposed social architecture.

### 4.3 Action plan 2010-2013

#### Lifelong learning and Personal Development

1. Aruba is a Learning Community. This means that all Arubans citizens, either on individual, group, organizational or community level, are learning throughout life.

Action: Guide the research framework through Pilot-projects and implementation of the research

What	Who	When
Create infrastructure for informal and non-formal education in the community by researching, designing and implementing customized programs for the needs of the community.	Platform for Lifelong Learning ATHA UA IPA Department of Social Affairs Department of Culture Biblioteca Nacional Representatives of the community	2010

2. The community as a whole provides our Youth (0-18 years) with the opportunities to develop and achieve. This results in children and youngsters that have healthy and successful lives, school careers and become productive and contributing adults in the Aruban and Global society.

Action: Develop a project and financial plan for implementation, including a methodology for coaching and training

What	Who	When
Develop and implement a concept of 'Citizen School' which will help develop the academic and leadership skills that the youth need to succeed in their educational career, the workplace and civic life.	ATHA Department of Education Platform for Lifelong Learning Local experts and volunteers Public and private sector Social clubs	2010-2011
Create after school programs.	ATHA, with the help of: District	2010-2011

For example: A concept idea is a 'Mobile After-school Multi Activities Program' (MAMA-program), which consists of 6 different busses, each one transformed in a specific area such as, sports, music, IT, and arts.	Teams of the Department of Social Affairs, IDEFRE, FDEC, Muchila Creativo, Atelier 89, Centro di Bario IPA EPI University of Aruba Local experts and volunteers Public and private sector Social clubs	
A center for non-formal personal and professional development. ('Vormingscentrum'), which organizes and takes care of different kinds of courses for the youth who could not have finished their formal education or are interested in doing courses to enhance their personal knowledge and development.	ATHA, with the help of Platform for Lifelong Learning, NOPIB and Department of Education Local experts and volunteers Public and private sector Social clubs	2010-2011
Empowerment and life Skills (ELSE) program, which increases the resilience of young people in Aruba, by empowering them with competences (Basic Life skills and attitudes).	ATHA, with the help of Platform for Lifelong Learning, Bureau Onderwijsplan and Bureau Nascholing IPA Department of Education Public and private sector Social clubs	2010-2011
A mentor/coach project which supports vulnerable youth (at risk), to become a respectful and responsible Aruban Citizen through:	ATHA, with the help of Platform for Lifelong Learning, NOPIB, and Bureau Nascholing IPA Department of Education Public and private sector and social clubs jointly	2010

- 3 Aruba has an Educational system for Sustainable Development in place (Education for Sustainable Development). This results in Aruban citizens with a sustainable attitude and behavior that will create a more sustainable future in terms of environmental integrity, economic viability, and a just society for present and future generations.

Action: Decision Education empowers the individual with effective decision skills

What	Who	When
Develop a plan for Whole School Decision Education (WSDE) Stimulates critical thinking skills that are necessary in today's participative culture. This contributes to democratic empowerment and the acceleration of civic participation of individuals on multiple levels.	IPA Department of Education Inspection of Education	2010

Action: Education for Sustainable Development

What	Who	When
Develop a plan to introduce and implement Education for Sustainable Development in Aruba.	NOPIB Department of Education IPA	2010-2013

Action: Experiment with pilot schools with Whole School Decision Education (WSDE)

What	Who	When
Integrate Decision Education & Risk Management in IPA Curriculum, in new curriculum and schoolbooks	IPA Department of Education	2010-2013

for primary schools with Buro Nascholing IPA developing and organizing Quality Decision training for Educators in Aruba.	Inspection of Education	
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Action: Conditions needed to guarantee a high quality of education

What	Who	When
Introduce compulsory education form ages 4 to 16 in a responsible way.	Minister of Education Department of Justice Department of Social Affairs Department of Education School systems Parents	2010
Implement a National Strategic Education Plan and continuously monitor its execution, evaluate and make necessary changes when needed.	Stakeholders in the Education field	2010-2013
Improve the quality of education and build capacity of educators.	Stakeholders in the Education field	2010-2013
Create the infrastructure and possibilities for the realization of Adult Education.	Stakeholders in the Education field	2010-2020
Create a fund that will finance the renovation and maintenance of school buildings.	Stakeholders in the Education field	2010-2013
Create a school environment that stimulates and motivates the student, the teachers and the parents.	Stakeholders in the Education field	2010-2013

Action: Create a quality system that operates effectively and efficiently in the tertiary education

What	Who	When
Create an internal and external quality system.	UA IPA Department of Education	2010-2013

Action: Create a broad scope of programs and activities in the tertiary education

What	Who	When
Expand the programs, develop and strengthen the research structure and community service.	UA IPA Department of Education	2010-2013

4. In 2025 the social partners of Aruba offer a broad scope of opportunities and facilities of high quality for all ages and target groups to develop on a professional and personal level. This means that all social partners actively participate and contribute to the Realization of LLL and Personal Development in their own organizations and in Aruba in general.

Action: A significant group of the Public Sector (random survey) will have to test and give feedback on the Aspiration Statement of the Commission for LLL&PD

What	Who	When
a. Create stimulating proposals to get a dialogue amongst different representatives of the Public Sector. b. Draw up an inventory of initiatives and aspects of LLL and Personal Development	Public sector DPO P&O of Every department The Public servant (individual)	2010

Action: Develop a plan to implement Decision Education and Risk Management nationwide

What	Who	When
Develop a plan to implement Decision Education and Risk Management nationwide	IPA Department of Education (curriculum ontwikkeling) ATHA ATIA Chamber of Commerce Platform for Lifelong Learning	2010

Action: Create a Platform for Lifelong Learning consisting of the public sector, private sector, media & community

What	Who	When
Create a Platform for Lifelong Learning consisting of the public sector, private sector, media & community	Department of Education IPA UA Department of Labor ATIA Chamber of Commerce Public and private sector jointly	2010-2013

Action: Brainstorming session to create a shared vision for the lifelong learning employee

What	Who	When
Brainstorming session with all local training institutions to create a shared vision for the lifelong learning employee and to embed this in their programs	Department of Labor ATIA Chamber of Commerce AHRA & AHATA Public and private sector jointly	2010

Action: Policy for funding: public/private, grants, scholarships redefined

What	Who	When
Policy for funding: public/private, grants, scholarships redefined	Department of Education Department of Labor Department of Finance ATIA Chamber of Commerce & AHATA Council of Ministers	2010

Action: Invest in capacity building/ upgrading for public sector personnel

What	Who	When
Invest in capacity building/ upgrading for public sector personnel	Department of Personnel & Organization Department of Finance Minister of General Affairs	2010

Action: Seminar/ workshop for HR personnel and management institutions focusing on learning organizations

What	Who	When
Seminar/ workshop for HR personnel and management institutions focusing on learning organizations	Department of Labor ATIA Chamber of Commerce AHRA & AHATA Public and private sector jointly	2010-2013

Action: Centers/community university for On-line and Distance Education

What	Who	When
Develop Centers for On-line and Distance Education, where learners of all ages get help to find suitable, accessible, <i>recognized</i> and affordable distant-learning programs, enabling the Aruban community to enroll in distant-learning programs (on different levels, and from different countries (Holland, USA, etc.), and get support and guidance from experienced local teachers and coaches to succeed with their studies.	EPI IPA Department of Education UA Private sector Platform for Life Long Learning or a Private initiative	2010-2013

Action: A Think Tank for the Public Sector is formed

What	Who	When
The Public sector will offer possibilities (for example via courses) to work on aspects of LLL and Learning Organizations	Public Sector DPO P&O of every department The public servant (individual)	2010-2013

Action: The Think Tank for the Public Sector will evaluate the sector as a whole, and monitor the targets

What	Who	When
The Think Tank for the Public Sector will evaluate the sector as a whole, and monitor the targets	Public Sector DPO P&O of every department The public servant (individual)	2010-2017

5. Aruba has a Sustainable Media Development. This means that the media professionals in Aruba fulfill an objective role to help create well informed and critical society members.

Action: Together with a Think Tank organize an educational and inspiring event

What	Who	When
Organization	Representatives of the Media Public sector Private sector	2010

Development of a sustainable Aruban culture through a holistic synthesis of all cultural aspects

SOCIAL: 1. Social progress which recognizes the benefit of everyone 2. Honor the culture and values. 3. Everyone is accountable for sustainability.		
<b>CULTURAL COMMUNITY</b>		
<i>The Aruban community is well aware of the fact that culture is a broad, historic and dynamic process. Culture is an expression many aspects of society. Lifestyles, norms and values, language, traditions, social interaction, the arts and esthetics, beliefs, human rights, education, governance, cuisine, economy and migration, knowledge, fashion, etc., in short all intellectual, spiritual, emotional and material aspects of life.</i>		
What	Who	When
Promote awareness campaign about cultural definition and specific local cultural content. Organize public debates and conferences on culture.	DCA, DSZ, DO, cultural NGO's, Unesco, service clubs, the press	2010 – 2011
<i>The local community has forged a core cultural entity that is distinctly Aruban and in which the Aruban citizen holds a central place. This forms the basic framework for all cultural development and cultural activities.</i>		
What	Who	When

Research and define specific local cultural traits and assign basic framework function.	DCA, DSZ, research centers: UA, IPA, Unesco	2010
<i>The Aruban community is a culturally integrated community. All cultural groups live together in mutual understanding, acceptance, and active and creative social interaction.</i>		
What	Who	When
Promote integration awareness campaign Organize integrative activities	DSZ, DCA, BNA, cultural NGO's, all cultural/ethnic/religious groups, community centers, D.O., UA, IPA, service clubs, press.	2011
<i>Citizens of young, adult and elderly age can continuously develop themselves culturally (life-long cultural learning) based on social acceptance, adequate health care, education, economic stability, and active participation opportunities for all.</i>		
<i>The Aruban community has become a caring community that is responsible for the general well-being and personal development of its members. Culture is seen as a means for promoting individual mental, spiritual and emotional health and social cohesiveness.</i>		
What	Who	When
Organize cultural development activities directed towards specific age groups and themes.	DSZ, DCA, BNA, cultural NGO's, social NGO's, all cultural/ethnic/religious groups, community centers, artists	2010-2012
SOCIAL: 1. Social progress which recognizes the benefit of everyone 2. Honor the culture and values. 3. Everyone is accountable for sustainability.		
<b>CULTURAL EDUCATION</b>		
<i>Local cultural norms and social values, established and embraced by the community, are taught to all groups and generations by means of all existing social and educational structures.</i>		
What	Who	When
Organize public debates and study groups, describe and define cultural norms and values, design and start promotion and educational campaign.	General public, DSZ, Social NGO's, social groups, churches, cultural NGO's, DCA, Unesco, D.O., School boards, PTA's, IPA, UA, political parties, press, all stakeholders.	2010 - 2013
<i>The culture sector has been completely professionalized. Cultural staff in all organizations has received professional training in order to develop the cultural field.</i>		
What	Who	When
Organize professional cultural training opportunities, stimulate academic cultural studies, scrutinize and evaluate organizations.	DSZ, cultural NGO's, DCA, UNESCO, UNDP, D.O., UA	2010 – 2013
SOCIAL: 1. Social progress which recognizes the benefit of everyone 2. Honor the culture and values. 3. Everyone is accountable for sustainability.		
<b>CULTURAL IDENTITY</b>		
<i>A general Code of Cultural Ethics has been developed for the local population, new citizens and visitors alike, by which social interaction is conducted.</i>		
What	Who	When
Organize public debates on Cultural ethics, describe and define socially desired ethics, design and start promotion and educational campaign.	General public, DSZ, social NGO's, social groups, Cultural NGO's, DCA, political parties, churches, BNA, the press.	2010 - 2013
<i>The people's friendliness and good humor, its good education, family and democratic values, hospitality, its cultural expressions, Papiamento and world languages fluency have become the most essential binding elements of the national Aruban identity.</i>		
<i>People are strongly aware of the characteristics of the Aruban cultural identity and strive collectively to uphold these</i>		
<i>Aruban cultural identity is sustained fundamentally by knowledge and conservation of past values, dynamic developments in the present, and a sense of responsibility for the future.</i>		

What	Who	When
Organize public debates to describe and define local cultural identity, design and start promotion and educational campaign.	General public, DSZ, social NGO's, social groups, Cultural NGO's, DCA, political parties, churches, BNA, UA, IPA, the press, arts schools, all stakeholders	2010 - 2013
<i>The Aruban arts sector embraces all artistic disciplines and genres and has achieved a balance between traditional folklore and contemporary local expressions, popular and high art, and between local and global developments.</i>		
What	Who	When
Plan, study, develop, execute, register and evaluate arts projects.	Cultural NGO'S, DCA, arts schools, CCA, Unoca, artists, intl. organizations	2010 – 2013
<i>Aruba has developed a strong, well-educated, diverse, innovative and productive 'creative class' based on its educational, social and economic policies, enabling artists and creatives to make a living locally.</i>		
What	Who	When
Evaluate and implement cultural policies, create opportunities for public and private projects, investigate the creative class as an economic asset, fund, and guide and protect arts projects, cultural infrastructure and artist's rights.	Cultural NGO'S, DCA, arts schools, CCA, Unoca, artists, intl. organizations, museums. Buro Intellectuele Eigendom Economic, tourism, private sector stakeholders	2010 – 2013
ENVIRONMENT: 4. Effective protection of the environment. 5. Prudent use of natural resources		
CULTURE AND THE ENVIRONMENT		
<i>It has become cultural practice in social and educational activities to "refuse, reduce, reuse, recycle and restore". The community is aware of the importance and fragility of nature, and of its responsibility in protecting and restoring natural resources.</i>		
What	Who	When
Continue increasing waste awareness and 5R's activities in schools and in the community. Impose fines on offenders.	Social NGO's, D.O., Schools, DV, Serlimar, Ecotec, Parliament, Dir. Wetgeving, Police, press, service clubs	2010 - 2013
POLITICAL (GOVERNANCE) 8. Good governance to achieve our goal		
CULTURE AND GOVERNANCE		
<i>The government actively implements the NosAruba2025 National Integrated Strategic Plan (NISP) and the report "Cultura na Caminda pa 2025", and strives for continuous development, follow-up and upgrading of the NISP.</i>		
What	Who	When
Promote NISP results Lobby government to implement cultural policy and NISP reports. Form working groups to continue elements of NISP results. +	Government (Minister of culture) Cultural platform All stakeholders Press	2010-2013
<i>The Aruban government, in implementing its vision for sustainable cultural development, protects and promotes culture through subsidies, grants, assigned budgets, policies and cultural legislation in cooperation with all cultural stakeholders.</i>		
What	Who	When
Revise available budgets and funds and allocate to specific sustainable cultural promotion and development projects.	DCA / Dept. of Finance Parliament	2010
<i>The government is aware of its responsibility as role-model to set the example of living up to the Code of Cultural Ethics, and to inspire and to lead younger generations towards assuming governmental responsibility for a sustainable future for Aruba.</i>		
What	Who	When
Hold government members accountable for living up to the Code of Cultural Ethics. Continue projects such as 'Parlamento Hubenil' more actively.	Dir. Wetgeving Parliament DCA/BOVO/Mediadienst BNA/DO, Press	2010

## Building the community from the inside-out

### Action: Creating a Central Point of Community Exchange (CPCE)

What	Who	When
Assemble a core planning group of representatives of the community.	Commission Community-based initiatives	2010
Support the core planning group in choosing a collaborative leader.	Commission Community-based initiatives	2010
Seek Finance for the CPCE.	Collaborative leader, core planning group, UNOCA, Cede Aruba	2010
Create a Secretarial body to support the CPCE.	Collaborative leader, core planning group	2010-2011
Empower Secretariat to collaborative working.	Collaborative leader, external consultants	2011
Set up a strategic plan with vision, mission, goals, actions etc.	Collaborative leader, Secretariat	2011-2012
Invite stakeholders to meeting.	Secretariat	2012-2013
Create and update an interactive community website	Secretariat	2011-2013

### Action; Empowerment of the Aruban Community

What	Who	When
Analyze and prioritize issues to be dealt with the community	CPCE	2012-2013
Develop communication and organization strategies for the activities	Collaborative leader and Secretariat	2012-2013
Develop financing strategy	Collaborative leader, Secretariat	2012-2013
Create cooperation links with external actors and experts on relevant fields and areas	Secretariat	2011-2013
Meeting face to face with as many community leaders to hear their opinions and insights	Collaborative leader,	2011-2013
Organize town hall meetings to get input from community members	Secretariat	2012-2013
Going door to door to reach out to the part of the community that does not come to public meetings	Collaborative leader, Secretariat	2012-2013
Passing out information on the streets	Secretariat	2012-2013
Introducing the issues at populous places like supermarket, main streets or anywhere else that people pass by	Secretariat	2012-2013
Attending other community meetings as observer and participant and holding community-driven assessments as a tool for mobilizing the community	Collaborative leader	2012-2013
Organize annual community weeks to empower the community with information	Secretariat	2011-2013
Awareness and celebration campaigns on volunteers i.e. Comision di mayor, Neighborhood Watch etc.	Secretariat	2011-2013

### Action: Identification, awareness and alignment of norms, values, culture and identity

What	Who	When
Create platforms of experts and representatives of the community for identification and alignment	The CPCE and the Secretariat in collaboration with external actors and experts on relevant fields and areas	2012-2013
Awareness campaign to enrich the understanding of norms, values, culture and identity	The CPCE and the Secretariat in	2012-2013

	collaboration with external actors and experts on relevant fields and areas	
Workshops to execute the awareness for the community, social organizations and government	The CPCE and the Secretariat in collaboration with external actors and experts on relevant fields and areas	2012-2013
Documentation of this process.	The CPCE and the Secretariat in collaboration with external actors and experts on relevant fields and areas	2012-2013

#### Action: Restoring accountability in the Aruban community

What	Who	When
Unite law students and professionals who will volunteer their services for legal counsel	Secretariat	2012-2013
Make an inventory of existing laws	Secretariat	2012-2013
Accessibility of the community to existing laws	Secretariat, DIA (Government department)	2012-2013
Legal counsel to the vulnerable groups of society	University of Aruba, Orde der Advocaten	2012-2013
Promotion of accountability: awareness campaign and volunteer celebrations	Secretariat	2012-2013

### Stimulate and promote a healthy living

#### Action: Sport and physical activity as the most important tool for a healthy living

What	Who	When
<i>Creating an Aruban community that applies physical activity and sport as an important tool to achieve a healthy way of living and to decrease the amount of youth problems</i>		
Research on, among others, what does the community want, manpower need, etc .Also , research on the needed resources and prerequisites and where do the youth problems come from, etc.	IDEFRE	2010-2013
Develop the resources and prerequisites based on the research	IDEFRE	2010-2013

#### Action: Community follows the guidelines of nutrition and physical activities

What	Who	When
<i>Implementation of national nutrition and physical activities guidelines</i>		
Determine the guidelines together with stakeholders	IDEFRE	2010-2013
Campaign the guidelines: preparation to promote the guidelines	IDEFRE	2010-2013
Promotion of the guidelines by the stakeholders	IDEFRE	2010-2013

#### Action: Emphasis on preventive care rather than on curative care

What	Who	When
<i>More emphasis on preventive health care</i>		
Creation of a health care foundation	Stakeholders in the sport and health care sector	2010-2013
Long term planning by the health care foundation	Health Care Foundation and	2010-2013

	stakeholders	
Stakeholders finance the long term planning	Health Care Foundation, NGO's and private sector	2010-2013

Action: Consciousness about food hygiene

What	Who	When
<i>Control on hygiene in food industry of both the suppliers and retailers</i>		
Research on this matter	Department of Public Health	2010-2013
Develop a project based on the results of the research	Department of Public Health	2010-2013
Inform the food industry of the project	Department of Public Health Stakeholders in the food industry Stakeholders resulting from the research.	2010-2013
Campaign: preparation to promote the project	Department of Public Health Stakeholders in the food industry Stakeholders resulting from the research.	2010-2013

Action: Essential prerequisites are present for a healthy lifestyle and cooperation of the government with the private sector

What	Who	When
<i>Investing in the essential prerequisites for a healthy lifestyle</i>		
Research on, among others, how to stimulate the private sector to invest in sports and how to stimulate the private sector to do so.	IDEFRE, Department of Legislation Lotto pa Deporte	2010-2013
Reform legislation based on the results of the research	IDEFRE, Department of Legislation Lotto pa Deporte	2010-2013

Action: To have environmental friendly and multi-functional sport facilities

What	Who	When
<i>Create friendly and multifunctional sport facilities</i>		
Research on, among others, the present infrastructure, the needed infrastructure, etc.	IDEFRE	
Develop a plan based on the research	IDEFRE	2010-2013

Action: Aruban athletes have reached a competitive sport level

What	Who	When
<i>Develop and implement sport legislation, develop a sports platform, a sports clinic will be created and provision of training of the boards of the umbrella sport organizations.</i>		
Research on, among others, how the sport organizations in the sport pyramid can accept their responsibilities, how to professionalize these organizations.	IDEFRE COA ASU Paralympics Special Olympics	2010-2013
Creation of a sport platform based on the results of the research	IDEFRE COA ASU Paralympics Special Olympics Ministry of Sports	2010-2013

Formulation and adaption of sport legislation	Sport Platform and law expert	2010-2013
Sport legislation will become a law	Sport Platform	2010-2013

## Sustained socio-economic development by means of diversification

### Economic Productivity

Action: To increase economic productivity

What	Who	When
<i>Continued economic growth based in an increased productivity and diversification of the economy</i>		
Stimulus for establishment of ventures on value added services, i.e.: <ul style="list-style-type: none"> <li>○ Fiscal</li> <li>○ Competitive environment</li> </ul> Stimulus of higher-education and entrepreneurship as per NISP commission “Nation of Innovation” Recognition and development of the following diversification opportunities: <ul style="list-style-type: none"> <li>○ International Financial Center</li> </ul> San Nicolas harbor as international transport hub (i.e. Barcadera due to natural port characteristics Aggressive economic diversification through value added services	Minister of Economic Affairs Private sector: KvK, ATIA, MAMBO, SNBA, ABA	2010-2013
Institution and adherence to moratorium on hotel capacity. Stimulating tourism development in high-end niche segments (i.e. well being tourism, boutique hotels)	Minister of Tourism, Economic Affairs	2010-2013
Initiatives by organizations to enhance individual productivity, a.o.: <ul style="list-style-type: none"> <li>▪ Knowledge (training or job rotation)</li> <li>▪ Physical fitness</li> <li>▪ Human Resource Management</li> </ul> Note that Appendix E presents comprehensive measures for enhance individual productivity.	Minister of Economic Affairs, Labor, Social Affairs	2010-2013
Removal of 3 year temporary worker permit system Better management of brain drain & repatriation of talent abroad	Minister of Economic Affairs, Labor, Social Affairs Private sector: KvK, ATIA, MAMBO, SNBA, ABA	2010-2013

### Quality of Life

#### A. Health

Action: To reverse in the declining trend in the life span

What	Who	When
<i>The overall wellbeing in terms of physical, mental and social wellbeing is increased</i>		
Implementation of health promotion concept of WHO (adequate health throughout one’s life span): <ul style="list-style-type: none"> <li>○ Provide Information (information education)</li> <li>○ Incentives (lower premiums when not consuming).</li> <li>○ Coercion (penalty)</li> </ul> Implementation of life promotion concept of WHO (adequate health throughout one’s life span): <ul style="list-style-type: none"> <li>○ Provide Information (information education)</li> <li>○ Incentives (lower premiums when not consuming).</li> </ul>	Ministers of Health, Social Affairs, Culture & Sports Private medical care institutions	2010-2013

○ Coercion (penalty)		
Implement social information system (expand existing system and information base)	Ministers of Health and Social Affairs	2010-2013

### B. Education

Action: To improve performance of the (higher) education system.

What	Who	When
<i>The overall well-being in terms of physical, mental and social well being is increased</i>		
Extension of the school day by means of compulsory after-school programs (Dutch “Naschoolse opvang”) combining a range of extracurricular activities and nutritional services with the active participation of the Ministry of Education, Social Affairs, Culture & Sports.	Ministers of Education, Social Affairs, Culture & Sports NGO’s (i.e. sports, arts, etc.) Private institutions	2010-2013
Specific performance targets are set at all levels to improve results, and evidence-based monitoring and reporting systems are put in place.	Ministers of Education School Boards, Council of Ministers	2010-2013
Enhanced accountability of educational personnel	Ministers of Education School organizations	2010-2013
Lowered language barrier for native population	Ministers of Education School organizations	2010-2013
Lowered drop-out ratio	Ministers of Education and Social Affairs	2010-2013

### C. Social safety net

Action: To further improve the level of social security and social support system for those who are (temporarily or permanently) unable to support their own means

What	Who	When
<i>The overall well-being in terms of physical, mental and social well being is increased</i>		
Implement ILO recommendations (see Chapter 1) <ul style="list-style-type: none"> <li>▪ increase normal retirement from age 60 to 62</li> <li>▪ Increase the legal AOV contribution rate gradually from 12.5% to 16.5%</li> </ul>	Ministers of Health, Social Affairs and Labor	2010-2013
Reform coverage into base package (lowered coverage) and supplemental packages. Introduce Personal contribution (“eigen bijdrage” for medical service and medicine consumption). Stimulate market for supplemental private health insurance packages	Ministers of Health, Social Affairs and Labor	2010-2013

### D. Work/Life balance

Action: Create facilities and reform of labor legislation.

What	Who	When
<i>Enhanced well-being through job security and increased labor participation</i>		
Introduce flexible labor laws Introduce improved child care facilities Introduce incentives for continued labor participation of elderly citizens	Ministers of Health, Social Affairs and Labor Private sector: KvK, ATIA, ABA, NGO’s, women organizations	2010-2013

## Spatial Planning

Action: To use the available present tools on behalf of sustainable spatial planning

What	Who	When
<i>Conscious and sustainable spatial planning</i>		
Pursuit of legislative institution and enforcement of ROP: <ul style="list-style-type: none"> <li>▪ LRO was approved in May 2009.</li> <li>▪ Next step is ROPV implementation and enforcement.</li> </ul> New land allocation only as per LRO/ROP directives (“bestemmingplan”)           Preference for establishment of businesses that contribute to Aruba’s environmental vision	Minister of Infrastructure Department of Infrastructure (DIP) Department of Economic Affairs	2010-2013
Residential areas: enforcement of LRO/ROP for structural development of commercial city centers and residential areas. Large commercial or industrial area’s: enforcement of LRO/ROP for development of industrial area’s	Minister of Infrastructure Department of Infrastructure (DIP) Department of Economic Affairs	2010-2013
Arikok park: continue Arikok park conservation Beaches: continue Coastal Zone Management program Archeological sites: enforce protection of archeological sites	Minister of Infrastructure	2010-2013

## Financial Sustainability

Action: To measure the current effectiveness of revenue and expenditure

What	Who	When
<i>The economy is capable of carrying the social infrastructure in a sustainable manner</i>		
Adherence to Report of National Commission on Public Finance (NCPF) on Sound Public Finance and Public Accountability in Aruba (February 2007)	Minister of Finance and Economic Affairs Council of Ministers Central Bank of Aruba	2010-2013
First order of business in this area is identification of future demographic and economic trends and their implications on the means which will be available for our achieving a better quality of life. Of particular interest will be the public finance implications of an ageing population	Minister of Finance and Economic Affairs Council of Ministers Central Bank of Aruba Relevant line directorates Chamber of Commerce Labor union sector Relevant NGO’s	2010-2013
Continued supervision of Aruba’s financial system	Minister of Finance and Economic Affairs Council of Ministers Central Bank of Aruba Relevant line directorates Chamber of Commerce Labor union sector Relevant NGO’s	2010-2013

## Developing a nation of innovation = smart people + smart ideas

### 1. Creating an innovative economic environment

Action: Raising awareness for innovation

What	Who	When
<i>Fostering innovation as part of Aruban culture</i>		
Innovation and research programs at school	Department of Education, IPA, University of Aruba, school boards, teachers,	2010-2013
Developing internships programs and scholarships for foreign innovation programs	Department of Education, University of Aruba, Aruba Scholarship Foundation,	
Promoting innovation in community	Media, community-based groups, Centro di barrios, role models, entrepreneurs	
Incorporating innovation in sports, arts and culture	Sport organizations, Department of culture,	

Action: Developing skills for innovation management

What	Who	When
<i>Innovation as part of strategic business thinking:</i>		
Develop IMEs	University of Aruba, foreign learning institutions,	2010-2013
<i>Partnering for innovation:</i>		
Create foreign investment platform	Government, ATIA, KVK, NGO's	2010-2013

### 2. Building up a high-developed human capital

Action: Attracting (local) talented people

What	Who	When
<i>Attracting local graduates from abroad</i>		
Provide incentive packages: recognition, facilitate immigration of family members	Parliament & council of ministers, Department of Education, Department of Finance, DIMAS	2010-2013
Write-off student loans (partially or in full) for graduates that return to Aruba to work in areas where high-skilled people are needed	Parliament & council of ministers, Department of Education, Department of Finance	2010-2013
Facilitate information on opportunities of job openings	Department of Labor, Arubahuis and GevMin Washington	2010-2013
<i>Attracting technological know-how (knowledge immigrants)</i>		
Flexibility of immigration laws and policies for knowledge immigrants and their families	Parliament & council of ministers, DIMAS, Department of Labor	2010-2013

Action: Elevating level of education of the workforce

What	Who	When
<i>Reforming education system</i>		

Enhance opportunities for adult education	Department of Education, Center for Lifelong learning	2010-2013
Improved flexibility of entry requirements and offer support programs to optimize opportunities to elevate individual levels of education	Department of Education, professional and higher education institutions	
<i>Fostering a culture of life-long learning</i>		
Develop learning centers	University of Aruba, local and foreign learning institutions	2010-2013
Develop distance learning programs	University of Aruba, local and foreign learning institutions	
Stimulate on-the-job training programs	Department of labor, local and foreign business development institutions, HR managers	
Introduce special financing fund for vocation and academic learning programs	Parliament & council of ministers, Department of Education, private sector	
<i>Fostering innovative thinking</i>		
Introduce award to recognize innovative thinking people both in the community as in organizations who serve as role models	New community based entity that fosters a culture of innovative thinking and innovative participation in decision making	2010-2013
Promoting a culture of innovative participation in decision making both in the community as in organizations	University of Aruba Organization, Governance and Management department, new community based entity mentioned above	

### 3. Developing sustainable technology & ICT

Action: Streamlining/facilitating access to technology

What	Who	When
<i>Facilitate access to ICT technologies</i>		
PC/broadband for all homes at low cost	Parliament & council of ministers, Department of Education, Department of Finance, Setar NV	2010-2013
PC/broadband for all schools and libraries	Parliament & council of ministers, Department of Education, Department of Finance, Setar NV	
<i>Encourage domestic development of green energy</i>		
Eliminate barriers imposed by utility companies for domestic green energy development	Parliament & council of ministers, utility companies	2010-2013
Eliminate taxes and duties on import and development of green energy technology	Parliament & council of ministers	

### 4. Sustainable society

Action: Raising nationwide awareness for sustainable development

What	Who	When
Implementation of the ROP & environmental law	Government; Parliament	2010-2013

Stimulate corporate responsibility & entrepreneurship	Chamber of Commerce	
Introduce incentive: 0% import duties on Green technology	Government; Ministry of Finances	

Action: Community development

What	Who	When
Start a long-term, nationwide awareness campaign for a sustainable society & personal development (LLL)	Government of Aruba; Department of Education; citizens	2010-2013
Media: translate visions (of a sustainable future) into practices	(Digital) media	2010-2013
Business & Education platform	Department of Economic Affairs; Chamber of Commerce; Department of Education; private sector; citizens	2010-2013

## Enabling the international financial sector

### 1. Economic diversification into high value area

Action: The establishment of a new pillar economy, a well known and respected financial sector. Superb service, friendly transparent tax regime (locally and internationally), including state of the art supervisory and regulatory regime that meets international standards

What	Who	When
Discuss/ benchmark budget needed to get IFC project started and sharing of costs	Government private sector	2010-2013
Assign necessary studies as basis to set up IFC (incl. inventory existing laws/literature, gather info captive insurance, asses aircraft registration market)	Consultants Committee	2010-2013
Give priority to legislations reg. IFC (products etc.)	Government DWJZ Tax Department	2010-2013
Assess int. standards and adjust regimes where necessary	CBA AFC	2010-2013

### 2. Innovative system for the market

Action: Advanced infrastructure in line with the International Financial Center

What	Who	When
Assess on current basis telecommunication infrastructure	Setar	2010-2013
Assess on current basis if sufficient and if it is not arrange for that.	Commercial Banks	2010-2013
Assess on current basis of airlift and travel connection is sufficient	ATA AAA AFC	2010-2013

### 3. High level of employment

Action: Highly educated people, broad field of professionals working in the International Financial Center and constantly recruiting new professionals

What	Who	When
Inform students constantly on importance and developments within IFC	Minister of Education/Labor Private companies	2010-2013
Allocate budget for proper promotion	Minister of Economic Affairs/ Finance	2010-2013
Development of new curricula and allocate stipendiums	Minister of Education/Labor Private companies	2010-2013
Assess and develop possibility to create at the University of Aruba curricula relevant to the industry	University of Aruba	2010-2013

### 4. Improve flexibility, efficiency and productivity and equity of market and economy

Action: One entity is established and is responsible for the promoting and facilitating of the International Financial Center where requirements and formalities (inclusive of licenses, permits etc.) are handled efficiently; the Tax Department has a special unit dedicated to handle only matters of the International Financial Center

What	Who	When
Acquire additional staff & adequate resources and train existing staff	Government	2010-2013
Create high level & international compatible education	Government	2010-2013
Give budget for promotion/plan and execute strategy for ongoing promotion	Government	2010-2013
Set-up special unit/entity to handle IFC tax matter	Government	2010-2013

### 5. Sustain high value responsible and balanced economy

Action: Minister/State Secretary Fiscal Affairs

What	Who	When
Assess possibility in constitution and follow steps to reach target	Government DWJZ	2010-2013

Action: The Aruba Government has shifted the intense focus on tourism to a more mixed economic approach

What	Who	When
Assess possibility in constitution and follow steps to reach target	Government	2010-2013

## Sustainable tourism development

Action: Vision of Sustainable Tourism Development

What	Who	When
Create an Aruban Tourism Satellite Account: A Satellite Account is a term developed by the United Nations to measure the size of economic sectors that are not defined as industries in national accounts. Tourism is an amalgam of industries such as	Central Bureau of Statistics	2013

transportation, accommodation, food and beverage services, recreation and entertainment and travel agencies. The full potential of the TSA is reflected in its broad field of technical and policy applications, providing decision-makers with a tool for: policy making; reliable data on the impact of tourism on the economy and on employment; measuring domestic and non-resident tourism and the associated employment; comparisons with other economic sectors; and, in the future and international comparisons.		
Develop a National Awareness campaign catering to locals to support the sustainable tourism campaigns.	Aruba Tourism Authority, AHATA	2010

Action: Tourism environment that stimulates a healthy balance between the needs of the population and the needs of the visitor

What	Who	When
Moratorium on hotel, timeshare and condo's and update carrying capacity study.	Commission Moratorium	2010
Implementation of the linear park	Minister of Infrastructure	2011-2013

Action: Quality Tourism Physical Infrastructure

What	Who	When
Developing and enforcing criteria to conserve Aruba's esthetics and architectural heritage.	Welstandscommissie	2013
Develop building code which requires a certain percentage of usage of alternative energy material and that is based on the ROP/ ROPv.	DOW/DIP/DWJZ	2012
Enhance and regulate informative and directional signage to preserve the nature vista and scene.	DOW/ Department of Culture	2011
Training for quality of service of transport.	ATA/ DIP	2010
To enhance community based programs and activities by executing the community based initiative plan.	Commission Community-based Initiatives of Nos Aruba 2025	
Maintain, restore and reuse buildings, spaces with historical value etc in order to develop more cultural attractions, recreate historical way of living etc. And provide financial incentives to the private sector to restore and maintain.	Department of Culture/ DEZHI	
Investment in Green Economy by creating stimulus packages in tourism by integrating three critical components: tough new climate response measures which don't stall growth, major financing incentives for clean energy initiatives and green trade & development support for developing economies.		
Erase your carbon footprint – Reforestation.	Parke Arikok	2012
Erase your carbon footprint - Green your hotel stay Guests make a donation to offset their carbon footprint. These funds will than in turn be invested in sustainable projects across the island.	AHATA/ ATA	2011
Erase your carbon footprint - Provide garbage cans on the public areas.	Serlimar/ MISMA	2010
Erase your carbon footprint - Green Globe certified Hotels.	AHATA	2010
Initiate campaign to raise awareness on importance of cleanliness.	ATA/ NGOs/ MISMA	2010
Create a bottle deposit programs for tourists and residents•	Serlimar/ Ecotech/ MISMA	2012
Provide a stronger enforcement of anti-litter (by) laws.	Polis Ambiental/ DWJZ	2012
Passé partout, collaboration between museums and	Parke Nacional/ Museums	2010

Parke National Arikok in order to create packages that will stimulate the tourist to attract them to different cultural attractions.		
Green Airport	AAA	

Action: Enriched Visitor Experience

What	Who	When
To implement the 'National Veiligheidsplan Aruba'	Department of Justice/ KPA	2010-2013
Establish safety education and victim assistance training programs for those working in the visitor industry so that they can provide accurate information to visitors about safety conditions and address accidents should they occur.	AHATA/ ATA/ AHSF	2010
To increase coordination and support between law enforcement agencies, medical organizations, tourist industry and ATA to improve safety and security services to residents and visitors.	AHATA/KPA/ ATA/Department of Health	2011
Educate children about emergencies and first aid in schools•	Department of Education	2011
Create campaigns to rekindle sentiment between locals and tourist in order to stimulate unity	ATA/ AHATA	2010
Enhance cultural aspects at main tourist arrivals (e.g. airport and cruise terminals), through for example music, art, Aruba's souvenirs	AAA/ ATA/ APA/ Department of Culture	2010
Develop certification, awards or recognition programs to ensure a certain level of service for the hospitality sector and other sectors in Aruba	ATA/ AHATA	2010
Develop awareness campaigns on various subjects such as littering, cleanliness, crime, behavior, courtesy	Department of Health/ KPA	
Create a tourism module at schools by adding tourism topics in existing subjects, e.g. Geography.	Department of Education	2012
National training of tourism employees; knowledge, service-minded & multi lingual.	ATA/ AHATA	2011
Create platform of education and business sector together; a public and private initiative funded by both sectors to improve communication in order to have more information on how the local labor supply can meet the demand to support local labor in the hospitality sector	Department of Labor/ Department of Education/ AHATA	2013
Create an industry career center for better accessibility on information of available work opportunities in order to support local labor.	Department of Labor/ AHATA	2012
Encourage part-time jobs	Department of Labor	2012
Encourage job possibilities in tourism sector for elderly people	AHATA/ Department of Labor	2012
Monitor of quality of labor and compensation in the tourism sector.	Department of Labor	2011
Encourage the hospitality sector to provide locals with the opportunity to develop themselves towards higher working positions.	AHATA	2012

Action: Maintain and Improve Transportation Access

What	Who	When
Update and implement the 'Mobiliteitsplan Aruba'.	DOPV	2010-2011
Conduct periodic traffic impact study ongoing and coordinated planning to make appropriate improvement.	DOPV	2011
Monitor residents sentiments and visitors satisfaction data related to ground transportation.	DOPV	2011 & 2013

Action: Market Aruba as a restricted and highly desirable global brand

What	Who	When
One Global identity and brand for Aruba.	ATA/ AHATA	2010
“Live the Brand” campaign on island: on island acceptance and use of the global brand by amongst others the activity coordinators, hotel concierges, airport officers, airport greeters etc.	Various	
Promote cultural developments, product enhancements, green initiatives etc.	ATA/ AHATA	
Develop a National Awareness campaign catered to everybody living on Aruba to instill pride and belonging.	ATA/ AHATA	2010
Convert cruise tourism into stay-over tourism.	ATA	

Clean and risk free environment

Desired Outcome = (1) Environmental laws that help ensure the sustainability of our natural environment, are being implemented.

Action: Legislation of environmental laws being implemented

What	Who	When
Institutionalize Environmental Management Authority (EMA), one body to manage a sustainable environment. (The moment EMA is functional, EMA will take over the task of MISMA)	Ministerio Inspeccion Salubridad y Medio Ambiente (MISMA)/ Economic Commission for Latin America and the Caribbean (ECLAC) DWJZ, Council of Ministers	2010-2013
Apply and enforce existing environmental laws and introduce strict environmental policies and regulations to comply with International Environmental Standards, such as Kyoto, United Nations Millennium Development Goals, OECD and LBS-protocol. Applicable for all sectors: Service, Trade, Tourism, Industry, and the Oil Refinery and others	Council of Ministers MISMA / EMA DWJZ Dienst Technische Inspectie (DTI) LVV (CZM) Environmental Police, Community	2010-2013
Complete new necessary Sustainable Environmental Legislation. This to comply with International Standards (OECD, etc)	MISMA/EMA DWJZ Council of ministers, Parliament	2010-2013
Enforce all new Environmental Laws	MISMA/EMA Environmental police Community	2010-2013
Introduce Environmental Police, Voluntary Environmental Police and all Citizens Watch	-MISMA/EMA -Environmental Police -Voluntary Police -Any citizen with a digital camera.	2010-2013
Establish an Environmental Supervisory Board to monitor progress EMA in executing environmental program	Representatives from Government, NGO's, Employers, Labor Union, and Community (or districts)	2010-2013
Official Government Statement regarding Government's Concern for Island Carrying Capacity	Council of ministers, Parliament & DIP DEZHI, Community	2010-2013

Implement Responsible Decision making for the Environment based on Sustainable Development	MISMA/EMA DIP, DOW DEZHI Meteo Council of Ministers, Parliament	2010-2013
<p><b>Desired Outcome = (2) International Environmental Standards &amp; Environmental Sustainability Indicators</b></p> <p><b>Action: Environmental Sustainability Indicators to measure progress / International standards</b></p>		
<b>What</b>	<b>Who</b>	<b>When</b>
Introduction “Environmental Sustainable Indicators” to be able measure progress on environment for: <ul style="list-style-type: none"> <li>- Atmosphere</li> <li>- Land</li> <li>- Sea</li> <li>- Freshwater and</li> <li>- Biodiversity</li> </ul>	MISMA/EMA, Central Bureau of Statistics Council of Ministers,	2010-2013
Take periodic (monthly , quarterly, yearly) measurements to monitor indicators and follow developments	MISMA/EMA, METEO, DTI, DIP, LVV(CZM), CBS	2010-2013
Make indicators public in newspapers and CBS publications (reports and newspaper) to create awareness, consciousness and education related to environment towards public and private sector and community	MISMA/EMA Central Bureau of Statistics	2010-2013
<p><b>Desired Outcome = (3) Invest in the preservation and the management of a sustainable environment. Aruba works towards reducing and offsetting its carbon footprints and uses it to attract tourism</b></p> <p><b>Action: Effective protection of the environment</b></p>		
<b>What</b>	<b>Who</b>	<b>When</b>
Management of a Sustainable Environment by one entity.	“Environmental Management Authority” (EMA)	2010-2013
Hold summit to align Private sector and environmental NGO’s	SEC EMA	2010-2013
Continuous monitoring of EMA’s Agenda	Environmental Supervisory Board	2010-2013
Environmental Progress Forum to monitor progress every two (2) years with all stakeholders starting 2010	MISMA 2010/ EMA 2012 ECLAC All Environmental stakeholders	2012
Establish an Autonomous Meteorological Service for Aruba (Currently under Curacao, Netherlands Antilles)	MISMA/EMA METEO DWJZ Council of Ministers	2011
Start Implementing the “Ruimtelijk Ordenings Plan” (ROP) approved in 2009	DIP	2010
Monitor the ROP and the “Carrying Capacity” concept	Environment supervisory Board, Government, NGO’s Board and Private sector, Chamber of commerce	2011
Promoting, Selling and making alternative energy equipment	Commerce	2010
Tax Incentives for companies selling and making alternative energy / environmentally friendly equipment or Apply Import Duty reduction.	MISMA/EMA Tax department Council of ministers, Parliament members	2011

Introduce policy guidelines for green/energy efficient buildings	DOW DTI	2010
Continue Climate Change Commission to support Environment and Infrastructure policy	MISMA/EMA DOW, DTI, METEO, etc	
Desired Outcome = (4) Everybody is aware and educated about the importance of nature and acts accordingly to protect it.		
Action: Awareness and Education Programs on Sustainable Environment		
What	Who	When
National Awareness Campaign	Minister of Environment MISMA/EMA and private sector, NGO PRIVATE companies; once laws and policies are in place private companies could be willing to sponsor more awareness programs.	2010-2013
Develop Environment Curriculum in <u>schools</u> and educate about the importance of environment and sustainable development	Department of Education All school foundation (SKOA, etc) All schools	2010
Compulsory or mandatory programs, courses on Environment and Sustainable Development for Government, Parliament, ministers, advisers, public institutions, government departments, public servants, schools, contractors and everyone related to <u>government</u> .	MISMA/EMA Department of Personnel DEZHI Dept of Education	2010
Educate <u>community</u> on Sustainable development	Social organizations Regional organizations Dept of Education	2010-2013
Community uses energy/electricity conscious and efficiently	Department of Energy, Media, Utility company	2010-2013
Eco-Friendly and Efficient use of transportation	Ministry of Transport DTI DOPV	2010-2013
Awareness programs on Island Carrying Capacity for Government Depts. and Community		2010-2013
Marine Park	MSMA/EMA LVV/ CZM	2009
Production Environmentally Responsible	Commerce, All producers of goods, manufacturing, Industry and services	2010-2013
Eco Tourism in compliance with international certification	ATA AHATA Green Globe Certification	2010-2013
Stimulate a Healthy Living with nature.	Education department, IDEFRE Sport Federation Health department	2010-2013
Promote a mentality change towards Separation of waste.	Education, Media NGO Ministry of Environment MISMA/EMA	
Desired Outcome = (5) Households, schools and companies have gone through mentality change and Refuse,		

Reuse, Reduce, Recycle, Restore. 5 – R behavior.		
Action: Implement 5 R behavior (Refuse, Reuse, Reduce, Recycle, Restore)		
What	Who	When
Introduce Recycle bins for cans bottles, paper, plastic	Public and Private sector	
Implement 5 R Behavior, Refuse, Reduce, Reuse, Recycle and Restore for 25%.	Media, Public sector, Private sector	2011
Implement 5 R Behavior, Refuse, Reduce, Reuse, Recycle and Restore for 50%.	Media, Public sector, Private sector	
Recycling Facilities	- Ecotech - Serlimar - Other interested parties	2010- 2013
Apply Waste to Energy, if feasible within environment policy.	WEB/other energy producer SERLIMAR EMA	
Desired Outcome = (6) Aruba makes efficient & responsible use of the limited land & prudent use of natural resources.		
Action: Efficient and responsible use of limited land		
What	Who	When
Apply ROP and Community Concern for Island Carrying Capacity	Government, EMA, DIP, DEZHI, NGO's, KvK.	
Obligatory Environmental Impact Studies and Evaluation. To be made for Private as well as Public Investment.	To be evaluated by: MISMA/EMA LVV Meteo	2010
Moratorium on Hotels	Government DIP/ ROP DEZHI	2009
Efficient use of our limited territory	DIP/ROP DEZHI	2010
Improve Public Transportation and Implement "Mobiliteitsplan"	DOPV DOW ARUBUS	2010
Keep an Efficient and Sustainable Road network	DOPV DOW	
Implement a speed maximum of 60 km/hr to minimize pollution, wear and tear of cars, congestion and accidents	Council of ministers Parliament DTI Police MISMA/EMA	2010
Well defined zoning regulations	LVV (CZM) DIP/ROP MISMA/EMA DWJZ	2010
Independent National Park System	Fundacion Parke Nacional	
Reforestation of Aruba with local plants and trees (on long term)	Fundacion Parke Nacional DOW,LVV NGO's Schools Youth organizations Civic organizations	2012-2025
Introduce bicycle paths to connect barrios and schools. (better for environment and health).	DIP DOW IDEFRE	2014 – 2025
Water retention ponds/drainage, maintenance/ repair and modification	LVV DOW	

## Energy management for a sustainable development

Action: The use of our locally available natural renewable energy resources are maximized

What	Who	When
A national Plan on Energy Management for Aruba	MISMA/ Energy management commission / ECLAC	2010
Institute a department on Environment & energy	Council of minister	2010 -2013
Windpark Vaderpiet	WEB	On going
Study on allocation of Int. funds to subsidize alternative energy projects	DEZHI	2010
Integral Energy efficient mobility plan	DOW/ DOPV	2010
Fiscal incentives & Import tax reduction on energy efficient cars & goods/ building materials ( insulation) etc.	SIAD/ DOW/DTI/DIP	2010-2013
Review building codes for conserving energy	DOW/ DTI/ DWJZ	2010-2013
Special loans at special interest for green projects/offer special loans (low interest rate) for alternative projects to government, schools, consumers & businesses	Banks KvK	2010
Study concerning liberalization or partial liberalization of energy market/	Parliament & Utilities	2010

Action: The energy usage is optimized, trough increasing its efficiency throughout all aspects of the community

What	Who	When
Institute an Energy Regulatory board	Council of minister	2010
Awareness programs on environment & energy management	MISMA	2010
Integrate waste to energy conversion in existing waste processing plant	Serlimar	2010-2013
Study on energy efficiency in public buildings & schools	DOW/ dep. Education	2010
Negotiations with refinery operator on their role for a sustainable Aruba	Government/ Minister	2009
Produce low cost "deep cycle" batteries for transportation & storage systems	ATIA/ Entrepreneurs	2010-2013
Less infrastructure/ optimize public transportations & bicycle tracks	DOW/ DOPV/ Arubus	2010-2013
Deep sea cooling for lowering energy usage on cooling the hotels	Utilities/ Ahata	2013

Action: The people of Aruba is aware & educated in protecting the environment, in alternative energy & energy management

What	Who	When
Curriculum developments on alternative energy & energy management	Dep. Education/	2010-2013
Make use of latest technology on green energy/Wind/Solar Energy using solar cells / Students that are prepared to function on this technical level	Dep Education/ EPB/EPI/ Colegio Arubano	2010-2013
Awareness programs on EM / Wind & solar Energy, electrical/hybrids	MISMA/ Serlimar	2010-2013
Waste management Need to segregate waste/ Energy from waste	MISMA/Serlimar	2010-2013

## Promoting sustainable food supplies

1. Educating the Arubans of the importance of sustainable food supplies and informing the **public about the consequences of consuming GMO's**

Action: The main stakeholders are aware of the importance of sustainable food supplies

What	Who	When
Educate the main stakeholders about the importance of Sustainable Food Supplies	Expert	2010-2013
Teach the teacher	Expert- DLVV	

2. Using the soil properly and efficient in order to protect it from being depleted

Action: Offering of starters packages with seeds, soil test together with a soil food web analysis and information on usage

What	Who	When
<i>Starters packages with seeds, soil test together with soil food web analysis and information on usage are ready for distribution</i>		
Buy the necessary tools for DLVV in order to carry the first phase of the AruVegAll program.	DLVV	2010-2013
Starters packages	DLVV	
Curriculum is set up	EMC/ ENVC/SFSC/CLLLPD/DLVV	

3. Educating the public about the efficient use of the available space (in your garden)

Action: The public is aware of the importance of sustainable food supplies

What	Who	When
Organize a marketing campaign to inform the public about the importance of sustainable food supplies.	DLVV	2010-2013
Offering a starters packages with seeds, soil test together with soil food web analysis and information on usage	DLVV	

## Putting good governance principles in practice

1. Good governance principles

Action: Putting good governance principles in practice

What	Who	When
Decision-making on Herziening Bezoldigingsregeling (HBRA) and Kerntakenanalyse	Council of Ministers Department of Personnel & Organization	2010
Awareness campaign about the concept of good governance through information, formation and education of the community	BUVO Minister of General Affairs	2011

## 2. National and international relations

Action: Decide on future relation with the European Union

What	Who	When
Decision on UPG or OCT status for Aruba	Department of Economic Affairs Department of Foreign Affairs Council of Ministers Parliament	2010

## 3. National Dialogue and community participation

Action: Encourage national dialogue and community participation

What	Who	When
Institutionalization of a structured National Dialogue system/Consultative Body/Tripartite Consultation	Public sector Private sector	2010-2013
Educating and reeducating citizens towards cultural mentality change based upon our norms and values (Nation Building)	BUVO Mediadienst National Library Aruban Press Association Minister of Education Department of Telecommunication Council of Ministers	2011

## 4. Accountability and transparency

Action: Stimulate accountability and transparency

What	Who	When
Effective and efficient communication structure within the government including IT network system	DIA Council of Ministers	2010
The Advisory/control institutions notify the Parliament about final reports sent to a Minister by legal adaptation	Department of Legislation Council of Ministers	2010
Education programs for Integrity, accountability, transparency, responsiveness, equity, recruitment of government personnel	Department of Personnel & Organization Department of Education Council of Ministers	2012

## 5. Laws in place

Action: Reorganize and introduce several laws

What	Who	When
Reorganize legal support to Government departments and Parliament and technical support for the preparation of laws	Department of Legislation Council of Ministers Parliament	2010
Introduction of Ombudsman	Department of Personnel & Organization Minister of General Affairs Minister of Justice	2011
Introduce Code of Ethics for Aruba (using Tabaksblat en Toezicht code as example)	Department of Legislation Minister of General Affairs Minister of Justice Parliament	2012



## List of Abbreviations

### List of Abbreviation

Abbreviation	Definition	Dutch or Papiamento
5R's	Refuse, Reuse, Reduce, Recycle and Restore	
a.o.	among others	
AAA	Aruba Airport Authority	
ABA	Aruba Banker's Association	
AEC	Aruba Exempt Company	
AFC	Aruba Financial Center	
AHATA	Aruba Hotel and Tourism Association	
AHSF	Aruba Hospitality and Safety Foundation	
AI	Appreciative Inquiry	
AOV	General Old Age Pension	Algemeen Ouderdomsverzekering
AWW	General Widow and Widower Pension	Algemeen Weduwe en Wezenpensioen
APA	Aruba Ports Authority	
APFA	General Pension Fund Aruba	Algemeen Pensioenfonds Aruba
ARUGAS	Aruba Gas Supply	
ASU	Aruban Sport Union	Aruba Sport Unie
ATA	Aruba Tourism Authority	
ATIA	Aruba Trade and Industry Association	
AZV	General Health Insurance/National Healthcare Insurance	Algemene Ziektekostenverzekering
BNA	National Library Aruba	Biblioteca Nacional Aruba
BUVO	Bureau for Information	Bureau Voorlichting
CBA	Central Bank of Aruba	
CBS	Central Bureau of Statistics	Centraal Bureau voor de Statistiek
CCA	Cultural Centre Aruba	Centro Cultural Aruba
CLLLPD	Commission Lifelong Learning and Personal Development	

CO2	Carbon dioxide	
COA	Olympic Committee Aruba	Comite Olimpico Arubano
CPCE	Central Point of Community Exchange	
CZM	Coastal Zone Management	
DO	Department of Education	Directie Onderwijs
DCA	Department of Culture Aruba	Directie Cultuur Aruba
DEZHI	Department of Economic Affairs, Commerce and Industry	Directie Economische Zaken, Handel en Industrie
DIA	Department of Information and Automation	Directie Informatievoorziening en Automatisering
	Department of Integration, Policy and Admission of	Departamento di Integracion, Maneho y Admision di
DIMAS	Foreigners	Stranhero
DIP	Department of Infrastructure and Planning	Directie Infrastructuur en Planning
DLVV	Department of Agriculture, Livestock and Fisheries	Directie Landbouw, Veeteelt en Visserij
DOPV	Department of Public and Personal Transportation	Directie Openbaar en Personenvervoer
DOW	Department of Public Works	Dienst Openbare Werken
DSZ	Department of Social Affairs	Directie Sociale Zaken
DTI	Department of Technical Inspection	Dienst Technische Inspectie
DV	Department of Public Health	Directie Volksgezondheid
DWJZ	Department of Legislation and Legal Affairs	Directie Wetgeving en Juridische Zaken
ECLAC	Economic Commission for Latin America and the Caribbean	
EM	Energy Management	
EMA	Environmental Management Agency/Authority	
EMC	Energy Management Commission	
ENVC	Environment Commission	
EPB	Basic Professional Education	Educacion Profesional Basico
EPI	Intermediate Professional Education	Educacion Profesional Intermedio
ERB	Energy Regulatory Board	
EU	European Union	
FZA	Free Zone Aruba	
GDP	Gross Domestic Product	

GER	General Enrollment Rate	
GevMin	Plenipotentiary Minister	Gevolmachtigde Minister
GMO	Genetically Modified Organism	
GNH	Gross National Happiness	
GNP	Gross National Product	
GO	Government Organizations	
Graf	Graphic	
HAVO	Higher General Advanced Education	Hoger Algemeen Voortgezet Onderwijs
HBO	Higher Basic Education (bachelor degree)	Hoger Beroepsonderwijs
HBRA	Revision of the Salary Regulation	Herziening Bezoldigingsregeling Aruba
HDI	Human Development Index	
HHI	Household Income	
HHS	House Hold Survey	
HR	Human Resource	
HRM	Human Resources Management	
IBP	International Business Platform	
ICT	Information Communication Technology	
IDEFRE	Institute for Sports, Physical Education and Recreation	Instituto pa Deporte, Educacion Fisico y Recreacion
IFC	International Financial Center	
ILO	International Labor Organization	
IME	Innovation Management course for Executives	
IMR	Infant Mortality Rate	
IPA	Pedagogic Institute Aruba	Instituto Pegagogico Arubano
ISCED	International Standard Classification of Education	
IT	Information Technology	
KPA	Police Corps Aruba	Korps Politie Aruba
KvK	Chamber of Commerce	Kamer van Koophandel
LBS-	Land Based Sources	
LLC	Limited Liability Company	

LLL	Lifelong Learning	
LLLPD	Lifelong Learning and Personal Development	
LMA	Government and Civil Ordinance and Material Service Law	Landsverordening Materieel Ambtenarenrecht
LRO	Ordinance on Spatial Arrangement	Landsverordening Ruimtelijke Ontwikkeling
LVV	Department of Agriculture, Livestock and Fisheries	Landbouw, Veeteelt en Visserij
MAMBO	Mainstreet Association of Medium Businesses and Organizations	
MAVO	Intermediate General Advanced Education	Middelbaar Algemeen Voortgezet Onderwijs
MBO	Intermediate Basic Education (associate degree)	Middelbaar Beroepsonderwijs
METEO	Meteorological Service Aruba	
MISMA	Ministry of Health and Environment	Ministerio di Salubridad y Medio Ambiente
NAC	National Integrated Strategic Plan Advisory Committee	
NCPF	National Commission on Public Finance	
NGO	Non-governmental Organizations	
NISP	National Integrated Strategic Plan	
NOP	National Education Plan	National Onderwijsplan
OCT	Overseas Countries and Territories	
OECD	Organization for Economic Cooperation and Development	
OV	Accidents Insurance	Ongevallenverzekering
PAC	Project Advisory Committee	
PAHO	Pan American Health Organization	
PAYG	Pay As You Go	
PC	Personal Computers	
PMT	Project Management Team	
PTA	Parents and Teachers Association	
R&D	Research and Development	
Rep.	Republic	
RET	Renewable Energy Technologies	
ROP	Spatial Structuring Plan	Ruimtelijke ontwikkelingsplan

ROPV	Guidelines Spatial Arrangement Plan	Ruimtelijke ontwikkelingsplan Voorschriften
SEC	Sustainable Environment Commission	
SEEP	Social Economic Environmental and Political	
SER	Social Economic Council	Social Economische Raad
SES	Socio-economic Structure	
SFSC	Sustainable Food Supply Commission	
SIAD	Tax and Customs Services	Servicio di Impuesto y Aduana
SKOA	Foundation for Catholic Education Aruba	Stichting Katholiek Onderwijs Aruba
SNBA	San Nicolas Business Association	
SOAR	Strengths Opportunities Aspirations and Resources	
STEEP	Social Technology Economic Environmental and Political	
SVB	Social Security Bank	Sociale Verzekeringsbank
TIEA	Tax Information Exchange Agreements	
TSA	Tourism Satellite Accounts	
UA	University of Aruba	
UK	United Kingdom	
UN	United Nations	
UNDESA	United Nations Department of Economic and Social Affairs	
UNDP	United Nations Development Program	
UNESCO	United Nations Education, Scientific Cultural Organization	
UNICEF	United Nations Children's Fund	
UNOCA	Union of Cultural Organizations of Aruba	
UPG	Outermost Regions	Ultra Perifere Gebieden
US	United States	
USP	Unique Selling Point	
VBA	Partnership Tax Aruba	Vennootschap met Beperkte Aansprakelijkheid
VWO	Advanced Scientific Education	Vorbereidend Wetenschappelijk Onderwijs
WEB	Water and Energy Company	Water en Energie Bedrijf
WEI	World Education Indicators	

WHO	World Health Organization	
WO	Scientific Education (university degree)	Wetenschappelijk Onderwijs
WOB	Government Public Law	Wet Openbaar Bestuur
WTO	World Tourism Organization	
ZV	Sickness Insurance	Ziektekostenverzekering