

First of all, let me extend a warm *bon bini* to all of you to our island.

I know this is supposed to be your “break”, so I promise not to take too much of your time.

Let me first introduce myself. My name is Davina Mansur. I’m an Aruban native. I’m a lawyer with Spigt Dutch Caribbean. I hold a Dutch law degree and a US law degree. I started my career as a lawyer in Amsterdam, where I worked in the corporate and finance field for 4 years and am now working in the Dutch Caribbean (including Aruba) for a year and a half.

You have been hearing – from the many great speakers present during this conference – why Aruba is such a great hub between Europe, North America and South America.

INTERNAL

Yesterday, our excellences walked us through the many great things that distinguish Aruba from the remaining – at least 28 other island nations in the Caribbean.

I think by now we all agree that Aruba is a beautiful place to live, it has an effective government, a solid economy, a green vision and it is a multicultural and multilingual island.

Not to forget that our Aruban florin is **pegged to the US dollar**, giving investors confidence and contract certainty without having to fear for currency fluctuations or cost of currency hedging.

EXTERNAL

Besides that there are also external reasons and that’s because Aruba holds a strategic position – geographically.

I read a paper once about the Light Based Growth Indicator (LBGI). It explained how in many parts of the world, including developing countries and South America, reliable data on economic growth is hard to come by. Quality of GDP and price data usually leave 30 to 40% error margin. “Night lights” are used because as income rises, so does light usage per person, in both consumption as well as investment activities. The paper showed how significant the Latam economy has been growing.

And indeed on this nighttime satellite picture we can see how strategically located Aruba is.

To give concrete examples of developments Aruba could profit from.

Yesterday Mr. Javier Gamboa talked about Trade integration in Latam. He gave the example of the Pacific Alliance.

Also, think of this. Islam is the fastest growing religion on earth. Now your thinking, not in Europe nor in South America and definitely not in Aruba. But reality is that

Brazil is one of the biggest exporters of halal food. And where do ships often go through? The Panama Canal.

Now that we know opportunities exist. And indeed look at the wealth concentration in South America. This graph shows income share held by highest 10%, South America scores very well, indicating that there is capital for investments.

CONCRETE EXAMPLE – A few weeks ago I was travelling and sat next to an Italian gentleman that lives between Italy/Miami and Argentina. He owns an IT consultancy company and does work for one of the major telecom companies in Aruba. He is now working from a company in USA and talked to me about relocating his operations to Aruba. He's coming back to Aruba in two weeks to set up a structure here.

Let's take a look at the legal structure and advantages of using Aruba as jurisdiction of choice.

LEGAL ADVANTAGES

Mrs. Milly Schwengle (HBN Law) yesterday gave us a comprehensive overview of Aruba's legal system. What I will do in the next couple of minutes is highlight some practical implications and show why Aruba is a better choice than other islands in the Caribbean from a legal perspective.

Legal and Judicial System

- Separate Jurisdiction within the Kingdom of the Netherlands
- Dutch law is the basis (legal developments)
- Flexibility in legislation (Eg. Aruba is not bound to EU regulations)
- Joint Court of Appeals (Curacao and Dutch corporate law precedents). This gives investors confidence.
- Supreme Court in The Hague (Dutch law precedents). As Milly said yesterday, your investment is safe in Aruba!

Example of Supreme Court Case involving Aruba

- **German ship Zim Houston III** – Came sailing into the port of Aruba and an accident resulted. A dispute resulted between German company that owned the ship and the ports authority. This ended up at the Supreme Court in Holland. In the decision the court finds that a law that is enacted in the Netherlands can be applied in Aruba, even though Aruban law at the time did not have a similar version (yet a similar law had been proposed in Aruba). **Anticipation was enough and HR could rely on already existing legislation in Netherlands. Taking into consideration that obviously the general consensus in Aruba about the desirability of the rule in question did not differ from the one in the Netherlands.**
- **Felix/Aruba** – About negotiations with the government and promises made. Precontractual liability and damages. The case made it all the way to the Supreme Court and has become one of the leading cases in law school in the Netherlands.

Civil law vs Common law

Largest Caribbean international financial sectors that form “hubs” are common law jurisdictions (BVI, Barbados, Bermuda). However, take a look at Europe and South America. I have worked with many Latin American clients over the past year and a half and have realized that besides the language barrier other jurisdictions have (where mostly English is spoken), Latin American investors and lawyers have a great appreciation to work with civil law jurisdictions, which Aruba is as well.

Other legal advantages: Flexibility

- 1. Corporate Governance:** Two Tier or One Tier
- 2. Choices for companies:** Sole proprietorship, Legal Entity (N.V., AVV, VBA) or Contractual (VOF, Maatschap)
- 3. “Reasonableness and Fairness”** The principles of “reasonableness and fairness” (*redelijkheid en billijkheid*) are an important factor in the civil relations between parties in the Dutch legal system. Contracts can be enforced either when they are merely oral or when put in writing.
- 4. Freedom of contract:** Written and oral agreements

WHITE LIST

As Mrs. Vieira-Maduro (PWC) mentioned yesterday:

- Aruba is a member of the Caribbean Financial Action Task Force, which forms part of the Financial Action Task Force based in Switzerland.
- As of September 10th, 2009 Aruba is qualified by the OECD (Organisation for Economic Co-operation and Development) as one of the jurisdictions that has substantially implemented the internationally agreed tax standard. Aruba shares this classifications with countries such as the U.S.A, Spain, Mexico and the Netherlands.
- Up-to-date anti money laundering laws, including ‘Know Your Client’ (KYC) rules.

Investors at times ask me why so much documentation is needed when opening bank accounts. I guess it is a little bit of the price you pay to be in a jurisdiction with a solid record and white listed with these organizations.

Like Mr. Daan Roosegaarde said yesterday, we may be a small island, but I think that we have the luxury of being able to THINK BIG !