



During the past two years Aruba Airport Authority N.V. (AAA) has been working on an extensive due-diligence process for the modernization and expansion of Reina Beatrix International Airport; which is now referred to as the Gateway 2030 Project.

As part of this process, the necessary financing, and subsequent recovery of the debt service were a critical consideration in the project's planning. In order to properly fund the investments, it was determined that an increase in the airport's rates and charges would be necessary.

AAA held a number of consultation meetings over the past year with both local and international stakeholders, including the airlines and a team from IATA (International Air Transport Association), to discuss the increases and the merits of the investments. As a result of these discussions, the airport's stakeholders and airlines are in full supportive of the Gateway 2030 Project and the costs involved with this project.

AAA's airline customers, in collaboration with their industry trade group, IATA, have agreed to an increase in the passenger related airport charges to support the financing of the project. This increase will take effect on July 1st, 2018. AAA will implement the increase in two components of the current airport passenger related charges. This will result in an increase of the total current applicable airport fees for NON US bound flights with US\$ 13.00 and US bound flights with US\$ 15.00. These increases will be charged to the airlines and it is the airlines prerogative if/ and how they wish to recover these costs from passengers; which may vary by air carrier. It's important to note, that this is the first increase in airport charges since 2003. The airport related charges for flights to the islands of Curacao and Bonaire will not be affected, and will remain unchanged.

It has been further agreed with the airlines in a formal MOU that if the project costs are less than the forecasted budget, AAA will re-evaluate the applicable passenger related airport charges and lower these if so needed.

The new rates have been duly benchmarked within the Caribbean region and even with these increased rates AAA's charges would be within an average range for the region, and significantly lower compared to those airports in the region that also have US Customs pre-clearance facilities.