

# CPA



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Stakeholders Newsletter CPA Curaçao Ports Authority - 3rd edition



■ **Happy New Year 2019**



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Building towards the Future

## Index

*Damen Ship Repair Curaçao; a high impact family business*

*CUROIL invests in international growth and fuel security*

*Special harbor jobs*

*Successful ISO audits for CPA, CPO and KTK*

*Maritime Days focus on youth*

*Venezuelan barges and local producers side by side*

*Saving turtles on Curaçao*

*Successful Mare Forum 2018 hosted by CPA*

*FCCA Holiday gift project celebrating Christmas together with CPA for 200 children in Curaçao*

*Waaigat investment opportunities*

## Damen Shiprepair Curaçao; a high impact family business



Damen Shiprepair Curaçao

Mr. Lodewijk Franken, Managing Director DSCu

*Damen Shiprepair Curaçao (DSCu), a part of the Damen Shipyards Group, is a high impact company that has great aspirations in Curaçao. Mr. Lodewijk Franken, Managing Director DSCu, sees many opportunities for growth with considerable spin-off benefits for the local economy. Mr. Franken: "Despite our worldwide presence, we're basically a family business that's faithful to our values, our vision and our staff." Since 2017 when the shipyard became part of the Damen Shipyards Group, Damen Shiprepair Curaçao and its 360 employees have become part of the Damen family.*

The Damen Group has a clear and inspiring vision. Started in 1927 by two brothers in Hardinxveld-Giessendam, Holland, the company now has 35 shipyards and more than 10,000 employees and a leading position in the ship building, repair and conversion markets. The construction of new ships varies from tug boats and work boats, which the company started with, to marine vessels and cruise ships, that are now also built by Damen. Over the past few years, maintenance and repair have increasingly become important parts of the company's vision and ultimately Damen wants to implement a full circle strategy; a cradle-to-cradle or Damen-to-Damen concept, as Mr. Franken expresses

it. This means that the company not only builds new ships and repairs them, but also recycles ships which are no longer seaworthy.

One of Damen's greatest strengths, according to Mr. Franken, is growing the business while remaining loyal to its vision and staff. That loyalty, however, has to be earned. Mr. Franken: 'We're investing heavily in the 360 former CDM (Curaçao Drydock Company) employees that we took over, but we expect loyalty, discipline and a high level of labor productivity in return. Most of the employees have been evaluated recently regarding their knowledge, experience and competencies. This information has

been mapped out and concrete actions, such as training courses, coaching and education have been taken. Ultimately, we aim to upgrade the level of our employees and prepare them to work in multiple areas. The local government supports us. They not only provide a subsidy for the retraining and continuing education of DSCu's personnel, but also for iron workers, welders, electricians, machinists and other professionals working elsewhere in Curaçao. These workers can also increase and update their knowledge at the Maritime Foundation Training Center (SMTC), where all DSCu's training courses take place. This is not only beneficial for their own professional development, but also

for Curaçao. SMTC has been in existence since September 26, 2017.'

Curaçao has been on Damen's radar for a while, because its location is extremely interesting from a geographical and strategical perspective as the port is very deep and located outside the hurricane belt, but still within a busy and commercially interesting maritime traffic zone. The naturally protected port area is unique in terms of its width, height and depth and, moreover, 20% to 25% of Damen Shipyard's new shipbuilding sales activities take place in The Americas, which the Caribbean region is a part of. Mr. Franken:

## Damen Shiprepair Curaçao; a high impact family business (continuation)

'Approximately 600 ships built by Damen are sailing in the region and they all need regular maintenance. This is also true for all container ships, oil tankers, general cargo and bulk carriers and smaller ships that were not built by our company but could be maintained and repaired very well in our docks.' There is a world of opportunities in Curaçao and as such, Damen has expanded its commercial team. In addition, there are more interesting growth opportunities. The Royal Dutch Navy base is right across from Damen's Shiprepair Curaçao. Mr. Franken: 'Previously, most navy ships sailed to Suriname, Cartagena or Trinidad for maintenance. That's no longer necessary. We'd like to provide our maintenance services to our neighbors based on quality and price. We have an extensive network of Damen docks and our project managers, engineers and specialists can be flown in quickly because there are two flights daily from Curaçao to Miami and Amsterdam. In addition, Curaçao has reliable customs facilities, so that we can also easily fly in spare parts or materials, if needed.'

The shipbuilding and repair world are well known to Mr. Franken. He started his career almost 20 years ago at Damen Shipyard Gorinchem, after which he continued his career at other large shipyards and offshore contractors in the oil and gas industry. With this Managing Director position at Damen Shiprepair Curaçao, he has come full circle and he agrees enthusiastically that the position fits like a glove. Mr. Lodewijk Franken moved to Curaçao with his wife and three children at the end of 2017, proving his commitment to the shipyard and the island of Curaçao. Mr. Franken: 'I work with a large group of local professionals and my work is challenging, interesting and extremely varied. My 20 years of work experience in the international shipping industry come in handy in Curaçao.'

As Managing Director of DSCu, Mr. Franken has set several goals for himself. Revenue must increase to US \$80 million or even \$100 million annually and costs must be reduced substantially so that profit increases. Local employees need to become more

independent and enjoy their work more, as this leads to less internal fragmentation and a greater feeling of belonging to the Damen family. Mr. Franken strives for the One Damen approach and a smooth relationship between the sales and repair divisions of the worldwide group. Mr. Franken: 'Gaining our clients' in providing high-quality and safe services here in Curaçao is essential as we want all ships in the region to sail to Curaçao without any hesitation for their maintenance, repairs and in the future, even conversions. That ideal is getting closer. On April 29, 2018 two drydocks entered the port with great fanfare and in November they were officially inaugurated. With its large investments in workshops, buildings, machines and staff, the parent company has ensured that Damen Shiprepair Curaçao has been put emphatically on the map as a new branch of the family tree.'



High skills professionals



Elfried Paulina, member of CUROIL's Management Team:

Red Majestic

## CUROIL invests in international growth and fuel security

In February 2018, CUROIL purchased the Red Majestic. This large tanker not only creates more fuel security for Curaçao and Bonaire's citizens and businesses, but also fits seamlessly into CUROIL's expansion strategy. Mr. Elfried Paulina, member of CUROIL's Management Team: 'Because of the problems in Venezuela, we want to be more independent and flexible in supplying fuel to our local market. Thanks to this new purchase, we now effortlessly store 750,000 barrels of fuel. That's 30 times as much as we normally buy in smaller volumes from the refinery.'

CUROIL has been distributing fuels for 33 years and is an important link in the economy. Mr. Paulina: 'We supply gas for cooking (LPG) to households, companies, hospitals, schools, hotels and restaurants. In addition, we provide gasoline and diesel (LSD) for cars, kerosene for planes, heavy bunker fuel and diesel for Aqualetra, the utility company, to produce electricity and with our bunkering activities in our ports and at sea, we serve more and more (international) tankers, freighters and cruise ships arriving here as their destination or for a stopover. People don't always realize it, but without CUROIL's fuel distribution, the social and economic engine stops.'

CUROIL serves the local consumer market and the industrial and international market with its fuel products and is consciously focusing on a market

expansion strategy. Mr. Paulina: 'The local market for fuel products is regulated by the government and the prices are also determined by the government. As such, efforts to save when purchasing fuel are not rewarded in this market. In addition, the local market is saturated with regard to the demand for diesel, gasoline and gas for cooking. Now that Aqualetra is investing more and more in wind energy, the demand for diesel is also decreasing.' The company's growth is therefore mainly due to its off-island activities, which CUROIL is developing fully.

Mr. Paulina: 'Increased sales to foreign clients leads to increased income from foreign currency. That's not only good for CUROIL, but also for Curaçao's economy and the strength of our currency. So far, our expansion strategy has been so successful that our foreign markets now

generate more income than our activities on Bonaire and Curaçao.' Purchasing the Red Majestic also gives us more negotiating power. Mr. Paulina: 'If PDVSA offers us fuel for the market price plus a premium and, for example, CHEVRON doesn't, I can now negotiate with PDVSA for a better price. There's less 'take it or leave it', because with the Red Majestic, competitors can also sell their fuel to us.'

CUROIL began its bunkering activities in Aruba at the end of 2013 and since 2017, the company has also been active in the off-shore business just outside Trinidad's territorial waters. The fact that Trinidad's oil refinery is about to close, will lead to even more opportunities for CUROIL, according to Mr. Paulina. The saying: 'one man's loss is another man's gain' also applies to the energy sector. Discussions are currently underway with Sint Maarten, Cuba and Granada

to further strengthen CUROIL's market position in the Caribbean through acquisitions, partnerships and bunkering activities.

The Red Majestic is in Aruba for the time being and is being used as floating storage. This is an interim solution, because storing fuel products in tankers at sea is more expensive than storage on land. Fully loaded the Red Majestic's draft is 14 meters deep, so the tanker can't, for example, dock in Curaçao's inland port. Mr. Paulina: 'We now have three tankers, of which the Red Majestic is a floating tanker. As the demand for our bunkering activities increases more and, in the future, we want to expand considerably, for example in Cuba and Trinidad, it's quite possible that CUROIL will invest in even more fixed and floating storage.'

## Special harbor jobs

A conversation with Nelson Koots, Technical Services Supervisor



### What does your job involve exactly?

As the supervisor of CPA's Technical Services, I'm responsible for the maintenance of our ferries and the Emma Bridge. Our maintenance is preventive and planned. Our ferries are serviced after every 300 operating hours and if something breaks down, we repair it immediately. In addition, our floating Emma bridge also requires regular maintenance.

As a service department, we do all kinds of other maintenance jobs as well, such as maintaining the mooring hooks, which are used to moor the ships at the Mega Piers, Caracas Bay and Boka Sami. In front of the port's entrance and in the port itself, we also ensure that all the signal lights work properly, because otherwise the ships can't sail in and out safely at night.

### Why is your job important?

Our ferries and pontoon bridge are important connections between Punda and Otrobanda. Because of their location, by the sea in the Sint Anna Bay, things wear out quickly, due to the sun and the salt. Regular maintenance is crucial. Our ferries and pontoon bridge are continuously moving. We ensure that everything is in order with the ferries and the bridge and that the bridge's hinges, bridge pins, bearings and wheels are always greased. We also touch up the paint on the bridge and ensure that the bridge's gangways are always firmly secured.

### What knowledge and experience do you need for this job?

For our technical maintenance work, you must have mechanical engineering experience and technical insight. I myself have completed mechanical engineering at the MTS level. Before I became the supervisor of the technical department, I



Mr. Nelson Koots

also worked for the Drydock company and at GEBE, Sint Maarten's public utility company. As a result, I gained much technical insight and experience in the port and with ships.

We do a lot of maintenance work ourselves and when it becomes too difficult and complex, we supervise specialized contractors and external technicians. We take the pontoons from the Emma Bridge out of the water ourselves, but the welding is done by an external contractor and we don't do underwater maintenance of the buoys but hire professional industrial divers for these tasks.

### Personally what do you like most about your work?

As the technical department supervisor, I must make sure that everything works properly. It may sound a little strange, but in my job the challenge is mainly making major repairs and overhauls, where you have to carefully disassemble the engines and put them back together again. When overhauling the engines of our ferries, for example, we're busy for weeks. That's a tough and painstaking task that ourselves. Once the job is done and everything's working again, it gives you a great feeling of satisfaction!

Currently we're making rafts for a project together with the yacht club. Large yachts can moor on these rafts, so that everyone on board can easily reach the pier. These are also fun tasks that we do when asked by our manager.

### How long have you been doing this job and what has changed during that time?

I've been working at CPA for 17 years and will retire in a few years. In the past, our field of work was broader, and we also did all the repairs on the wharfs. Now more and more computers and maintenance programs are being used and the IT department plays a larger role in maintenance work. We now do the same work with less manpower, which means that as a team, you have to work very efficiently.

For example, in the past, the underwater flow meter used to be my baby. That meter measures the direction and strength of the current. That's how the pilots know when they have to guide large ships in the harbor and how much (engine) power is needed. These activities used to be the responsibility of the technical department, but now they're the IT department's responsibility.

### Who do you collaborate with in your job?

I work well together with my three experienced employees. If I have a shortage of people, I sometimes ask the pilots and sailors on the ferries for help. The pilots approach us for all kinds of technical services and we're in contact with different contractors and companies when we outsource tasks. We do that then via a tendering process where we closely evaluate who has the best price and qualifications.

We also have contact with professional divers who do underwater maintenance and repairs on frames, anchors and buoys, because we don't do that ourselves.

### What's the added value of your position for the port?

I'm proud to be able to do this job. Our work is very much concerned with safety. At sea, if you don't maintain your ferries and bridges properly, they deteriorate quickly. Our work is also important for the pilots. If the signal lights are broken, the pilots can't sail the ships in and if the ferries don't sail and the bridge is broken, locals and tourists can't easily cross from Punda to Otrobanda. Therefore, as the maintenance department, we're an important link in the whole process.

As Manager Operations, Mr. Rienk Koopmans states: the Ferries and the bridges e.g. the Emma Bridge, the Wilhelmina bridge, the L.B. Smith bridge and the Princess Amalia bridge all have a public function, maintenance therefore is very important.



Rienk Koopmans

## Successful ISO audits CPA, CPO and KTK



In November our company passed its latest ISO audits successfully. The audits focused on quality management and the environment and were executed by Lloyd's at Curaçao Ports Authority (CPA) and our subsidiaries Curaçao Pilots Organization (CPO) and Kompania di Tou Kòrsou (KTK).

Since obtaining our first ISO-9001 certificate for quality management in January 2002, and second ISO 14001 certificate in 2015 for environmental management, we are proud to say that all of our companies have continued to receive these ISO certificates on a yearly basis.





Minister Steven Martina

## Maritime Days 2018 focus on youth

Local secondary students were the main focus of the recent Maritime Days. On September 24 to 27, 2018, these youngsters had a chance to get acquainted in fun and interactive ways with companies operating in the maritime sector, and not only in the classroom but also hands-on at the harbor. During these days, they were able to speak with professionals from the Coast Guard, the Harbor Safety Inspection (Havenveiligheidsinspectie, HVI), Kompania di Tou Kòrsou (KTK) and the Curaçao Maritime Authority (MAC).

The CPA put together a full schedule with plenty of information and activities for hundreds of VSBO, HAVO and VWO students. After the first two days, during which maritime professionals gave presentations at different schools, the students spent the last two days taking a harbor tour and visiting KTK's newest pilot boat and the two mega-piers. Those students in the early phase of their schooling, who had not yet chosen specific subjects to graduate in during

their final year, were able to learn more about the subjects and prior training required to work in the maritime sector and the many career opportunities they could look forward to. According to Sau Bridgewater, PR and Communications Manager at CPA, the maritime professionals on site received plenty of enthusiastic questions about their work and remuneration. The Maritime Days—which on Curaçao, like elsewhere in the world, are organized

under the umbrella of the International Maritime Organization (IMO)—concluded on September 27, 2018. On Curaçao this was celebrated with a lively shareholders networking event jointly hosted by the CPA and Damen Ship Yards, where stakeholders were able to discuss, in a pleasant atmosphere, current local maritime issues such as the challenges related to the refinery, as well as international maritime developments.



Minister Zita Jesus-Leito



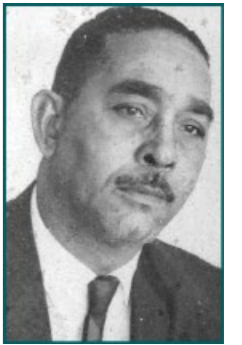
## Venezuelan barges and local producers side by side

For four generations, the Rodriguez family has fulfilled the role of shipping agent for the Venezuelan boats, that sell vegetables and fruits in the floating market on the Sha Capriles wharf in Curaçao. Shipping agent Mr. Garson Rodriguez thinks it is a positive and desirable development that these small boats will be joined by local producers once the floating market has been renovated.

'More than a century ago my great-grandfather founded the "Bethencourt" agency', says Rodriguez proudly, who currently runs the company with his father, Mr. Johnnie Rodriguez and will eventually take it over with his other brother. 'Our family business is the representative for Venezuelan boats, which offer all sorts of merchandise in Curaçao. On a monthly basis, there are about thirty ships from Vela del Coro, La Guaira and Tocaca, among others. These ships not only sell fruits and vegetables, but also transport household items, plants, furniture, mattresses, hay bales, etc. In short, everything there's a demand for. With the growth of Curaçao's population, this trade has continued to increase, although due to the current situation in Venezuela, it's now becoming a little more difficult.'

'As an agent, we ensure that all the general cargo that arrives every day is declared and cleared with customs smoothly and quickly', says Mr. Rodriguez enthusiastically. Every good has a value and a code, which we carefully register with customs, and based on that, the import duties are determined. When I started working with my father, I thought it would be impossible to fill in all these codes promptly and correctly, because there are so many products. Still, you get the hang of it', Mr. Rodriguez says excitedly. 'That makes the work, which is passed on from father to son, so satisfying'.

The floating market on the Sha Capriles wharf is one of Curaçao's most famous tourist attractions and is visited every day by large numbers of residents and tourists, who are attracted by the lively selling of fruits and vegetables. Now that the floating market is being thoroughly renovated, Venezuelan merchandise is temporarily being sold at the small quay directly across from the wharf. That will hopefully change at the end of September. Then the floating market, where up until now only 8 boats were allowed to moor at one time, will be open once again and the market will have also been expanded considerably.



In addition to the boats from Venezuela, which are allowed to stay on the island for two months to sell their goods, space is now being created for local producers and their merchandise. Mr. Rodriguez thinks this is a positive development. Our floating market will become more modern, safer and more hygienic due to the Health Department's (GGD) involvement and the new policy will result in increased economic development and employment. With more and more local fruits and vegetables now being grown on the island, this will lead to a larger supply and even more great bargains for the customers! In short, a win-win situation for everyone.'





Sea Turtle Conservation Curaçao Team

## Saving turtles on Curaçao

Every year dozens of volunteers from Sea Turtle Conservation Curaçao (STCC) swim along the entire south coast. With permission from the Harbor Master, they cross the Annabaai and Bullenbaai. During these swims they develop a picture of the sea turtle populations along the south coast as accurately as possible. In addition to this important research activity, STCC is working hard in many other ways for sea turtles, which are endangered in Curaçao and in the rest of the world.

Sabine Berendse, who coordinates the foundation's activities together with Ard Vreugdenhil, is proud of what the foundation achieves with limited resources and enthusiastic volunteers. Berendse; 'Our main goal is to protect sea turtles and their habitat through research, conservation and education. In recent years, we have saved more than a thousand sea turtles and removed more than 80,000 gallons of marine debris from beaches. By cleaning up bays and beaches and removing large amounts of

(plastic) litter, more nests are made, and more baby turtles actually reach the sea.'

Sea turtles are beautiful animals and a major tourist attraction, but they are also crucial for a healthy underwater ecosystem. They help to ensure that sea grass beds and corals remain healthy nurseries for all sorts of fish species and other underwater life that reproduce in those areas. Unfortunately, plastic pollution, uncontrolled tourism and poaching cause

sea turtles to lose their natural habitat and they are threatened with extinction worldwide. With more than fifty active volunteers conducting beach and underwater clean ups, checking coves and beaches and monitoring turtle nests on a weekly basis, STCC is working on increasing the local sea turtle population and its well-being.

Since STCC formally became a foundation in May 2017, they can now more easily request funding and submit long-term project proposals to continue their research, conservation and educational activities sustainably. For \$600 per year, companies, such as CPA, are also increasingly adopting a turtle nest, which is then actively protected by volunteers. According to Berendse, Curaçao could even be an inspiring example internationally. 'We're a relatively small island and we can monitor and oversee our turtle population reasonably well. With our enthusiastic volunteers, we could become a textbook example of how protecting turtles effectively can become a reality in the Caribbean.'

For anyone who is committed to Curaçao's sea turtles, Berendse has the following tips:

- Avoid single-use plastic and live according to the principles of reuse, reduce & recycle.
- Don't contaminate beaches and regularly participate in organized beach clean ups.
- Give sea turtles their space and leave them alone.
- Don't eat turtle meat and don't buy products made from turtle shells.
- Make a conscious choice about where you recreate.
- Use red lighting instead of white lighting if you live on the coast.
- Sign up to be a sponsor or volunteer at STCC via their Facebook or Instagram.



## CPA hosts successful Mare Forum 2018



Mr. Humberto de Castro, Director of CPA



Minister of Traffic, Transportation and Urban Planning Mrs. Zita Jesus-Leito



Prime Minister Mr. Eugene Rhuggenaath.



For the second consecutive year CPA has hosted the international Mare Forum Conference. These conferences are organized in different countries throughout Europe, North-, South- and Central America, Asia and the Middle East and can be considered as the most respected conferences of the maritime industry. During the conferences different executives from the maritime world exchange visions, knowledge, information and trends within the maritime industry with each other. Prime Minister Mr. Eugene Rhuggenaath and the Minister of VVRP (Traffic, Transportation and Urban Planning), Mrs. Zita Jesus-Leito, took care of the official opening of the conference.

Mr. Jannis Kostoulou, President of Mare Forum, and Mr. Humberto de Castro, Director of CPA, guided the different interactions that took place between the participants, speakers and panelists, after the presentations of the speakers. During the conference the different ongoing projects within the local maritime sector were mentioned as well, amongst which Bullenbaai, Waaigat, Kop van Scharloo, the cruise terminal at Rif and the container terminal. The event was successful and executives from within the maritime industry were able to network with local stakeholders and exchange ideas on developments within the sector in order to capitalize on mutual business opportunities.



### FCCA Holiday gift project celebrating Christmas together with CPA for 200 children in Curaçao

On December 5th, the Florida Caribbean Cruise Association (FCCA), together with Curaçao Ports Authority (CPA), had the pleasure to organize for the 18th consecutive year the so called "FCCA Holiday gift project". Initially the FCCA offers to all countries affiliated with one of their cruise organizations, the opportunity to make a maximum of 200 less fortunate children happy with a Christmas present, accompanied by entertainment by Santa Claus and by offering a drink and something to eat.

This event took place at the Mathey Wharf and this year the children of the Foundation "Klein Jeruzalem" (Little Jerusalem) got a turn. This foundation not only has the responsibility to care for children with a terminal or chronic illness, but also cares for approximately 200 less fortunate families. These families are divided amongst residences located in Banda Bou, but also in the Fuik area.

The Minister of Economic Development, Mr. Steven Martina, was also present to express his gratitude and in particular to the crew of the cruise ship Caribbean Princess of Princess Cruises for the beautiful gesture, because, no matter how you turn it, the members of the crew of the ship choose, during their stay in Curaçao, in their free time, to, together with the Santa Claus of the ship, help with giving the children invited to this event, their presents. In this case the crew members came prepared with their materials to paint the faces of the children present and with several Christmas decorations.



Watch our video on YouTube



## Waaigat investment opportunities

*On October 31th Curaçao Ports Authority (CPA) organized an interesting morning conference about port development opportunities, focusing mainly on the Waaigat area. Both Mr. Steven Martina, Minister of Economic Development, and Mr. Humberto the Castro, CPA's CEO explained to an attentive audience how a balanced development of the Waaigat could contribute to economic growth and add value to Willemstad's historic heritage.*

*Mr. Scott Lagueux, an experienced marine property developer from the United States and speaker at the conference, compared the Waaigat to similar harbor areas worldwide and explained how future attractions and activities could turn the Waaigat area into a vibrant center of economic and cultural activities. CPA's CCO Mr. Raul Manotas and Mrs. Zarja Garmers-Rojer, highlighted the list of development and construction guidelines and Mr. Ramon Koffijberg from CINEX and Mr. Marcos Cova from the Chamber of Commerce summarized the importance of investing in the Waaigat area and the tax incentives that would be made available to investors.*

*Finally, Mrs. Zita Jezus- Leito, Minister of Traffic, Transportation and Urban Planning emphasized the importance of close cooperation between her own ministry and the ministries of Economic Development to develop the Waaigat area successfully and confirmed her ministry's commitment to this project of great economic value, leaving the audience eager to explore investment opportunities in this famous down town area.*