

Navigating the logistics chain between Colombia and the islands of Bonaire, St. Eustatius, and Saba

A study commissioned by the Cabinet of the Special Envoy
Final Report – 24 March 2025 – Reference: LB/A-00061



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Executive Summary

The 2024 trade mission, organized by the Cabinet of the Special Envoy for Bonaire, St. Eustatius, and Saba, to Bogota, brought together businesses from Bonaire, Sint Eustatius, Saba, and Colombia. This revealed mutual interest in promoting trade opportunities, but at the same time, all parties underscored the need to better understand the sea- and airfreight logistics chain connecting the islands to Colombia.

This study, commissioned by the Cabinet of the Special Envoy for Bonaire, St. Eustatius, and Saba, investigates the trade between Colombia and the islands of Bonaire, St. Eustatius, and Saba, connecting to the Cabinet of the Special Envoy's mission to strengthen collaboration with Latin American Countries and support its strategic goal of enhancing partnerships with a focus on connectivity.

This study assesses the current logistics supply chain situation for sea and air freight between Colombia and the islands of Bonaire, St. Eustatius, and Saba and has three main objectives, namely:

1. To map and describe the current logistics supply chain for sea and air freight between Colombia and the islands of Bonaire, St. Eustatius, and Saba. This involves identifying the key routes, transport modes, and stakeholders involved in the movement of goods. Understanding the cargo flow, the value of shipments, and the time and cost constraints will provide an overall view of how the logistics chain operates.
2. To identify challenges and opportunities by gathering insights from key stakeholders, such as port authorities, customs officials, freight forwarders, and importing- and exporting businesses. These interviews provide valuable perspectives on the operational conditions within the logistics chain.
3. To propose recommendations to improve collaboration, regulation, and cost-efficiency in the logistics chain. These recommendations will focus on potential areas for investment, infrastructure development, and policy changes that can enhance the performance of the logistics network between Colombia and the islands of Bonaire, St. Eustatius, and Saba.

To the best of our knowledge, this study marks the first comprehensive examination of trade dynamics between Colombia and the Caribbean Netherlands — Bonaire, St. Eustatius, and Saba. While many of the challenges and opportunities identified may be familiar to stakeholders on both sides, this is the first time they have been systematically analyzed and documented in a structured report. By bringing together fragmented insights, logistical data, and stakeholder input, the study provides a clear foundation for informed decision-making and targeted action to strengthen trade relations in this underexplored regional corridor.

Main findings

Colombia is well-positioned to become a more prominent trading partner for the wider Caribbean, as well as for nearby Bonaire. The share of imports from Colombia in relation to Bonaire's total import value increased from 0.8% in 2020 to 1.5% in 2022. This increase is reflected in the 'upstream' rise of Colombian goods exported to Aruba and Curaçao, logistics hubs that connect freight services to Bonaire, specifically from USD 40 million in 2021 to USD 60 million in 2023. More than half of these exports originate from the Colombian regions of Antioquia, Atlántico, and Bogotá.

From Colombia's perspective, exports to these islands are a marginal activity, with its value hovering at just 0.08% of the country's total exports of goods and services. Freighters from Colombia indicate that the level of demand for goods and port infrastructure are the most critical factors determining commercial appetite and direct shipping from Colombia to the islands.

Bonaire is virtually the sole recipient of goods imported from Colombia, relative to **Sint Eustatius** and **Saba**. These two islands are geared mainly towards the North American market and remain relatively unknown to Colombian entrepreneurs.

Nevertheless, all three islands – Bonaire, Sint Eustatius, and Saba – face similar challenges due to their geographic location, small population, and limited infrastructure. Their logistics supply chain

depends on the transshipment hubs Curaçao, Aruba, and St. Maarten. While these hubs provide essential services such as warehousing and handling, the reliance on indirect routes increases costs and delays. Bottlenecks in customs processing, port capacity, and cargo handling impact trade competitiveness. Logistics inefficiencies and high costs continue to be challenges for the three islands.

Trade between Colombia and the Caribbean Netherlands remains limited due to significant logistical, infrastructural, and market access challenges that hinder efficiency and increase costs.

Colombia faces limited engagement with the Caribbean Netherlands due to a general lack of awareness among exporters about Bonaire, St. Eustatius, and Saba. Trade promotion organizations, including ProColombia, do not actively promote these markets, and the absence of direct shipping or air freight routes further hinders trade. All cargo must be transshipped through other Caribbean hubs, significantly increasing costs and delivery times. Security concerns also discourage Colombian exporters from consolidating shipments, adding to logistics inefficiencies. Despite these challenges, there is growing interest from the Colombian private sector in expanding into these island markets, particularly given the existing demand for Colombian goods, including fruits, textiles, and pharmaceuticals.

In **Bonaire**, trade is constrained by a heavy dependence on transshipment via Curaçao and Aruba, resulting in high logistics costs, frequent delays, and a shortage of cargo space. The island's port infrastructure is limited, lacking essential equipment and space, and monopolistic logistics services further drive up prices. Customs clearance is slow, especially for shipments from Colombia, and air freight options are limited and expensive. Additionally, Bonaire's small market size restricts the volume of goods traded, leading to inefficiencies. Nonetheless, opportunities exist to improve trade through direct shipping from Colombia, port infrastructure upgrades, and customs modernization, all of which could reduce costs and increase efficiency.

St. Eustatius suffers from limited port infrastructure and relies entirely on transshipment through St. Maarten, resulting in high logistics costs and prolonged transit times. There are no direct shipping or air cargo connections with Colombia, and all goods must pass through multiple checkpoints, increasing expenses. The island also lacks sufficient financial services and commercial infrastructure, which limits business development and investment. However, ongoing port expansion projects, the potential for direct trade routes with Colombia, and opportunities to improve inter-island logistics could help strengthen St. Eustatius's position as a regional trade partner.

Saba faces similar challenges, with only one small port serving both cargo and passenger traffic, resulting in congestion and inefficiencies. The island relies completely on St. Maarten for transshipment, which drives up shipping and handling costs, while limited shipping frequency further restricts flexibility. Air freight is also highly constrained due to the small size of the airport and a lack of customs facilities. Financial services are scarce, and high transaction costs discourage trade. Nevertheless, plans for port modernization, including the proposed Black Rock Harbor project, the potential for direct trade with Colombia, and enhanced regional freight connectivity, offer promising avenues for improving Saba's trade capacity and reducing costs.

Recommendations

To unlock the full trade potential between Colombia and the Caribbean Netherlands, targeted actions are needed to overcome logistical barriers, strengthen infrastructure, and foster direct commercial ties.

Colombia should increase awareness of trade opportunities with Bonaire, St. Eustatius, and Saba through market research, trade missions, and targeted support for exporters. Direct shipping and air freight options should be explored through feasibility studies and pilot programs, with incentives offered to logistics providers. Security concerns around cargo consolidation should be addressed through trusted networks and customs incentives to improve efficiency.

Bonaire should invest in port expansion, modernize governance, and explore direct shipping routes from Colombia to reduce costs and delays. Customs processes should be streamlined through digitalization and bilateral agreements while increasing competition in logistics can help lower prices. Enhancing air cargo services and establishing trade incentives, as well as a free trade zone, would further facilitate regional trade growth.

St. Eustatius should pursue port upgrades and negotiate direct trade agreements with Colombian ports to reduce its reliance on St. Maarten. Expanding storage capacity, developing a free trade zone, and improving inter-island logistics through partnerships and subsidies will lower costs. Strengthening financial services and organizing trade delegations will support business development and trade facilitation.

Saba should accelerate the Black Rock Harbor project to improve port efficiency and explore direct shipping routes with Colombia. Enhancing air freight options through charter services and infrastructure improvements will reduce logistics constraints. Expanding financial services, offering business incentives, and streamlining customs processes will facilitate increased trade and investment from Latin America.

The common thread underpinning these recommendations is to support aspects such as enhancing mutual commercial awareness, establishing direct trade routes, setting up government incentives and public-private partnerships, creating cargo consolidation networks based on trust, upgrading port infrastructure and equipment, encouraging competition in shipping and logistics; and streamlining customs processes.

Overall, enhanced collaboration within the regional logistics network and investments in the ports' cargo handling capacities are expected to contribute to higher supply chain efficiency and lower costs for logistics companies, importers, and consumers on Bonaire, Sint Eustatius, and Saba.

1 Introduction

1.1 Background

Bonaire, St. Eustatius, and Saba are special municipalities of the Netherlands in the Caribbean. Due to their geographic location, small populations, and lack of substantial industrial infrastructure, these islands, like many neighboring islands, rely heavily on imported goods for most of their needs.

The Cabinet of the Special Envoy plays a vital role in identifying promising EU, UN, and LAC (Latin America and the Caribbean) projects to benefit Bonaire, St. Eustatius, and Saba, facilitating access to international networks and funding and supporting the islands in capitalizing on economic opportunities within the region. The Strategy Summary of the Cabinet of the Special Envoy Bonaire, St. Eustatius, and Saba is depicted below:

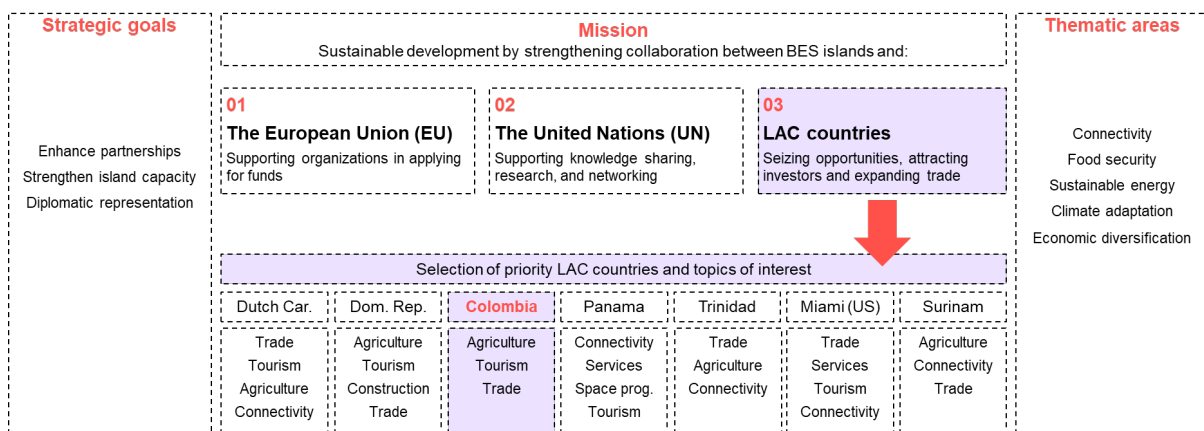


Figure 1: Strategy Summary of the Cabinet of the Special Envoy Bonaire, St. Eustatius, and Saba

Colombia is an important trading partner because of its proximity and economic ties to the Caribbean. Goods from Colombia, such as agricultural products, perishables, and textiles, are regularly shipped to Bonaire, though to a lesser extent to Saba and St. Eustatius.

Trade Missions to Colombia

Bonaire, St. Eustatius, and Saba have prioritized Colombia as a key partner for enhancing trade and investment. In February 2024, the Cabinet participated in a trade mission to Bogotá to explore improving airlift connections. This effort was followed by a more extensive trade mission in June 2024, which included over 35 organizations from Bonaire, St. Eustatius, and Saba and involved discussions with more than 120 businesses in Colombia.

This mission underscored the need to understand the sea and air freight logistics chain between Colombia and the islands of Bonaire, St. Eustatius, and Saba. Greater clarity on the logistics network's structure and operations was essential for fostering more collaborative and cost-effective trade in goods.

The logistics chain between Colombia and the islands of Bonaire, St. Eustatius, and Saba

Bonaire, St. Eustatius, and Saba are strategically located, offering advantages such as:

- High reliability from a security perspective.
- A regulatory framework aligned with international standards.
- Communities with proficiency in Spanish and English, the dominant languages in the region.

Despite these strengths, the islands still need to leverage their position fully. Trade in goods and knowledge exchange with neighboring countries still need to be developed. The islands' small scale presents challenges in attracting investments and expanding trade opportunities.

To address these challenges, the Cabinet of the Special Envoy is advancing a strategy to:

- Strengthen economic relations with regional partners.
- Enhance trade and investment opportunities.
- Promote sustainable economic development for Bonaire, St. Eustatius, and Saba.

The strategy aims to support the islands' full economic potential by leveraging international partnerships and focusing on the logistics chain between Colombia and Bonaire, St. Eustatius, and Saba islands.

Regarding logistics, Bonaire, St. Eustatius, and Saba rely on their connection with Curaçao, Aruba, and St. Maarten, which are key transshipment hubs in the regional logistics network. These islands, particularly Curaçao for Bonaire and St. Maarten for Saba and St. Eustatius, provide essential services like warehousing, handling, and transshipment, allowing goods to move to the smaller ports of Bonaire, St. Eustatius, and Saba.

However, logistics operations face several challenges that affect delivery costs, efficiency, and reliability. As a result, businesses and consumers in Bonaire, St. Eustatius, and Saba face higher prices and more frequent delays.

1.2 Objectives of this study

This study investigates the trade between Colombia and the islands of Bonaire, St. Eustatius, and Saba, connecting to the Cabinet of the Special Envoy's mission to strengthen collaboration with LAC countries and support its strategic goal of enhancing partnerships with a focus on connectivity.

This study assesses the current logistics supply chain situation for sea and air freight between Colombia and the islands of Bonaire, St. Eustatius, and Saba. The study has three objectives, namely:

- 1** To map and describe the current logistics supply chain for sea and air freight between Colombia and the islands of Bonaire, St. Eustatius, and Saba. This involves identifying the key routes, transport modes, and stakeholders involved in the movement of goods. Understanding the cargo flow, the value of shipments, and the time and cost constraints will provide an overall view of how the logistics chain operates.
- 2** To identify challenges and opportunities by gathering insights from key stakeholders, such as port authorities, customs officials, freight forwarders, and importing- and exporting businesses. These interviews provide valuable perspectives on the operational conditions within the logistics chain.
- 3** To propose recommendations to improve collaboration, regulation, and cost-efficiency in the logistics chain. These recommendations will focus on potential areas for investment, infrastructure development, and policy changes that can enhance the performance of the logistics network between Colombia and the islands of Bonaire, St. Eustatius, and Saba.

The findings from this study provide the Cabinet, stakeholders, and decision-makers with a better understanding of how to improve the logistics chain. Improving the efficiency and cost-effectiveness of the supply chain is essential to support economic activity in Bonaire, St. Eustatius, and Saba. By addressing bottlenecks in the movement of goods, the islands may benefit from:

- Lower costs for imported goods, benefiting local businesses and consumers.
- Shorter lead times, improving the (timely) availability of products.
- Increased local competitiveness through a more consistent supply of products.

1.3 Reader's Guide

Chapter 2 outlines the research methodology to analyze the logistics chain between Colombia and Bonaire, St. Eustatius, and Saba islands. It combines qualitative and quantitative approaches and focuses on port operations, infrastructure, customs procedures, and stakeholder collaboration. Additionally, significant limitations to the study are conveyed.

Chapter 3 is the central part of this report and provides an overview of the logistics chain connecting Colombia and Bonaire, St. Eustatius, and Saba. This chapter contains information and data relating, among other things, to their respective institutional and economic contexts, business perceptions on the trade, descriptions of shipping routes, consolidation practices, logistics services (sea and air), port and customs operations, and cargo value shipped and its composition.

Chapter 4 is the closing chapter, which lists the findings and recommendations from this study.

2 Research Methodology

The research methodology employed for this study combines qualitative and quantitative approaches to provide an overall understanding of the current logistics chain between Colombia and the islands of Bonaire, St. Eustatius, and Saba. The method includes desk research encompassing analyses of logistics data, related studies, and their findings on operational challenges. Additionally, stakeholder interviews were conducted, and questionnaires were sent to the stakeholders. The results from the data analyzed from the desk research, interviews, and questionnaires received have been processed into this report.

2.1 Data Collection

The study utilizes the following three primary sources of data to map the current logistics chain and identify bottlenecks and opportunities for improvement:



[Figure 2: Sources of data collection](#)

1. Desk-research

The quantitative component of this study involves descriptive analyses of logistics flow data. Most information comes from ports' shipping line schedules, customs data, online marine traffic and vessel databases, statistics bureau data, and reports covering the islands' and other neighboring islands' logistics chains. Refer to Appendix 1: List of documentation .

This data analysis covers several key areas that are used as input to map the logistics trade:

- Shipping schedules and call frequency between Colombia and Bonaire, St. Eustatius, and Saba islands.
- Cargo value passing through ports between Colombia and the islands of Bonaire, St. Eustatius, and Saba.
- Cargo composition and place of origin of goods (Colombian regions).
- Share of shipment by sea and airfreight separately.
- Port handling capacities of Bonaire, St. Eustatius, and Saba islands.
- Macroeconomic statistics data.

Refer to [Appendix 1: List of documentation analyzed](#) for a complete overview of the desk research.

2. Interviews

A series of 18 interviews were conducted with key stakeholders across the logistics chain to gather first-hand insights into the operations, challenges, and opportunities. The interviews were conducted in person or through video conferencing, depending on the participants' locations.

These stakeholders include:

- Port authorities (Bonaire, Saba, and St. Eustatius).
- Customs official (Bonaire, St. Eustatius, and Saba).

- Logistics service providers (Bonaire, Saba and St. Eustatius, Curaçao, Aruba, St. Maarten).
- Importing- and exporting businesses (Bonaire).
- Chambers of Commerce and Industry (Bonaire, Saba, and St. Eustatius).
- Holland House (partnered with the Dutch embassy in Colombia).
- Ministry of the Interior Kingdom Relations, Ministry of Foreign Affairs, and Ministry of Economic Affairs and Climate Policy (the Netherlands).

Refer to [Appendix 2: List of interviewees](#) for a complete list of the interviewees. The interviews focused on gathering insights regarding:

- Operational challenges at ports and customs.
- Port capacity and infrastructure issues.
- Cost structures associated with shipping and handling.
- Customs procedures and their impact on lead times.
- Collaboration between the islands, Colombian suppliers, and regional transshipment hubs.

3. Questionnaires

A semi-structured questionnaire was sent to the stakeholders to reach a broader audience (stakeholders) and gather more data from those involved in the logistics chain. The Chamber of Commerce of Bonaire and the Chamber of Commerce of St. Eustatius and Saba have facilitated the distribution of the questionnaire to the businesses registered with them.

Approximately 650 questionnaires were distributed, of which 19 responses were collected from port authorities, logistics service providers, and businesses. This represents a 2.9% response rate. The responses were analyzed to identify common themes, bottlenecks, and areas for improvement.

Collaboration Holland House

Holland House has facilitated quantitative and qualitative data gathering in Colombia for this study, focusing on the following key stakeholders:

- Colombian Private Sector.
- Small Shipowners.
- Port Authorities.
- DIAN (Colombian Customs).
- ProColombia.

The data received from Holland House has been incorporated into this report in Chapter 3: Mapping the Logistics Chain, paragraph 3.1: Colombia.

2.2 Analytical Approach

The primary analysis of the gathered data aims to identify challenges and opportunities by looking at the general operations, infrastructure, customs, and level of collaboration within the logistics network:

- Operations: cargo transshipment, handling, volume, and vessel turnaround times.
- Infrastructure: port capacity, storage facilities, and cargo handling equipment.
- Customs: clearance procedures, including the time taken to inspect and clear goods.
- Collaboration: collaborative initiatives to streamline the current process.

Additionally, a description of the time efficiency of logistics services on the routes between Colombia and the islands of Bonaire, St. Eustatius, and Saba. The data is used to assess the overall efficiency of

the logistics chain and to help highlight areas where improvements can reduce costs and transit times, such as:

- Vessel turnaround times at Colombian ports and transshipment hubs.
- Time spent in transshipment (Curaçao and St. Maarten) for sea and air freight.
- Customs processing times and delays at Bonaire, St. Eustatius, Saba, Curaçao, Aruba, and St. Maarten ports.

2.3 Limitations

While the study aims to provide an overview of the logistics chain between Colombia and the islands of Bonaire, St. Eustatius, and Saba, several limitations must be acknowledged that may impact the interpretation and generalizability of the findings.

Limited information on cost structure

Chapter 3.2.7 describes a general cost structure for shipping goods to and from Bonaire via sea or air. However, this study does not include a detailed cost structure due to the unavailability of key data points during the research process. Precisely, detailed information on the following costs was not obtained:

- Freight charges and fuel costs (sea and air freight rates).
- Port fees and handling charges at transshipment hubs and destination ports.
- Customs duties and taxes applied to imported goods.
- Demurrage and storage costs arising from delays in customs clearance.

Despite efforts during both desk research and qualitative data gathering, logistics service providers hesitated to disclose this information, citing competitive concerns. As the report will be publicly available, they were reluctant to share pricing details that competitors could potentially access.

Sparse data on exports on Bonaire, St. Eustatius, and Saba

The Colombian customs authority, 'Dirección de Impuestos y Aduanas Nacionales' (hereafter: DIAN), categorizes the islands as distinct destinations in their systems. Consequently, the data on exports to these islands is sparse. The only significant direct export recorded directly is petroleum shipments to Bonaire. While it is likely that other Colombian goods are being sent to Bonaire, they are often registered as exports to Curaçao, from where they are transshipped to Bonaire. No direct exports are explicitly recorded in the system for St. Eustatius and Saba. This suggests that trade with these islands is most likely routed through intermediary hubs like Miami and St. Maarten, where shipments are forwarded to their final destinations.

Comparison of FOB vs. CIF data

The analysis and findings partially compare FOB (Free on Board) values of goods exported from Colombia to Aruba and Curaçao with CIF (Cost, Insurance, and Freight) values imported into the islands. These two metrics differ fundamentally. FOB values represent the cost of goods at the point of shipment, excluding insurance and freight. CIF values include additional fees such as insurance and freight to the destination. This distinction implies that CIF values will inherently be higher than FOB values for the same shipment, introducing an upward bias when assessing equivalence.

The deduction that CIF-valued goods from Colombia imported into the Caribbean Netherlands are virtually all derived from FOB-valued exports from Colombia to Aruba and Curaçao is based on customs data evidence, as there are no FOB exports from Colombia to the Caribbean Netherlands directly.

Including insurance and freight in CIF values introduces variability that depends on factors such as the distance and mode of transport from Aruba and Curaçao to the Caribbean Netherlands and market fluctuations in freight and insurance costs during the analyzed period. This variability complicates a direct quantitative comparison between FOB and CIF values, as differences may not solely reflect the value of FOB goods.

In sum, limitations include potential mismatch in reporting periods (e.g., goods are recorded as exported in November/December but are recorded as imported into the Caribbean Netherlands in January/February) and potential differences and/or errors in how export and import data are classified or aggregated.

This means that comparisons between FOB exports and CIF imports should focus on trends and proportional relationships rather than precise equivalences. The inferred linkage between exports to Aruba and Curaçao and imports into the Caribbean Netherlands should be treated as an estimation based on two customs data sets.

Fuel products excluded from data analysis

It is essential to note that the analysis of customs data excludes fuel-related products (HS 27: Mineral Fuels, Mineral Oils, and Products of Their Distillation). Including these fuel-related products would significantly inflate the overall cargo value, as a relatively small number of high-value transactions account for a significant portion of the total share. By excluding these products, the analysis provides a more constructive representation of the composition and value of cargo flows from Colombia to the islands of Bonaire, St. Eustatius, and Saba, reflecting the broader trends and patterns without the disproportionate influence of fuel-related goods.

The limited response rate from the questionnaire

Approximately 650 questionnaires were distributed for the study, targeting port authorities, logistics service providers, and island businesses. However, only 19 responses were received, representing a response rate of just 2.9%. This limited sample size imposes constraints on the generalizability of the findings. Nonetheless, the responses were carefully analyzed to extract recurring themes and pinpoint areas for potential improvement in the logistics chain. Enough input was gathered for overall mapping and the specific analyses mentioned above.

Moreover, data availability is a common and persistent challenge, prompting the combination and cross-referencing of online resources and information from interviews.

Scope limitations and disclaimers

- We provide no opinion, attestation, or other form of assurance with respect to our work or the information upon which our work was based. The procedures performed do not constitute an examination or a review in accordance with generally accepted auditing standards or attestation standards. We did not audit or otherwise verify the information supplied to us in connection with this study.
- The services did not include the provision of legal advice, and Grant Thornton Bonaire makes no representations regarding questions of legal interpretation.
- The report represents our best judgment as to the gathered data from desk research, interviews, and questionnaires. However, the report is not binding and, therefore, cannot be considered a guarantee of the outcome of any controversy. We are not responsible for exposure because information is not provided correctly and/or completely.
- The report is dependent and conditional upon the accuracy and completeness of the documentation provided by the stakeholders as listed in the source documents. Grant Thornton in Bonaire has relied on these documents provided by stakeholders without conducting any independent investigation or verification of their accuracy or completeness. Therefore, any inaccuracy or incompleteness in Grant Thornton Bonaire's understanding of the documents may adversely affect the conclusion expressed by Grant Thornton Bonaire in the report.
- The study is subject to the General Terms and Conditions of Grant Thornton Bonaire.
- This report is intended for the reader to assess the information reported by us and to draw their own conclusions based on our work.
- We have exercised the greatest possible care in compiling this overview, but note that this document has not been prepared with the intention of providing a complete representation of matters, figures, and comments.

3 Mapping the Logistics Chain

This chapter provides an overview of the logistics chain connecting Colombia and Bonaire, St. Eustatius, and Saba. The islands' small economies make them reliant on imports for essential goods. This chapter covers sea and air freight routes, the importance of regional transshipment hubs Curaçao and St. Maarten, and the key stakeholders involved in the movement of goods.

The geographic focus includes the Colombian ports of Cartagena and Barranquilla, which serve as the primary gateways – from Colombia – for goods bound for Bonaire, St. Eustatius, and Saba and, indeed, the Caribbean. Additionally, the ports of Curaçao and Aruba (for Bonaire) and St. Maarten (for Saba and St. Eustatius) play crucial roles as transshipment points, making them an integral part of the analysis.

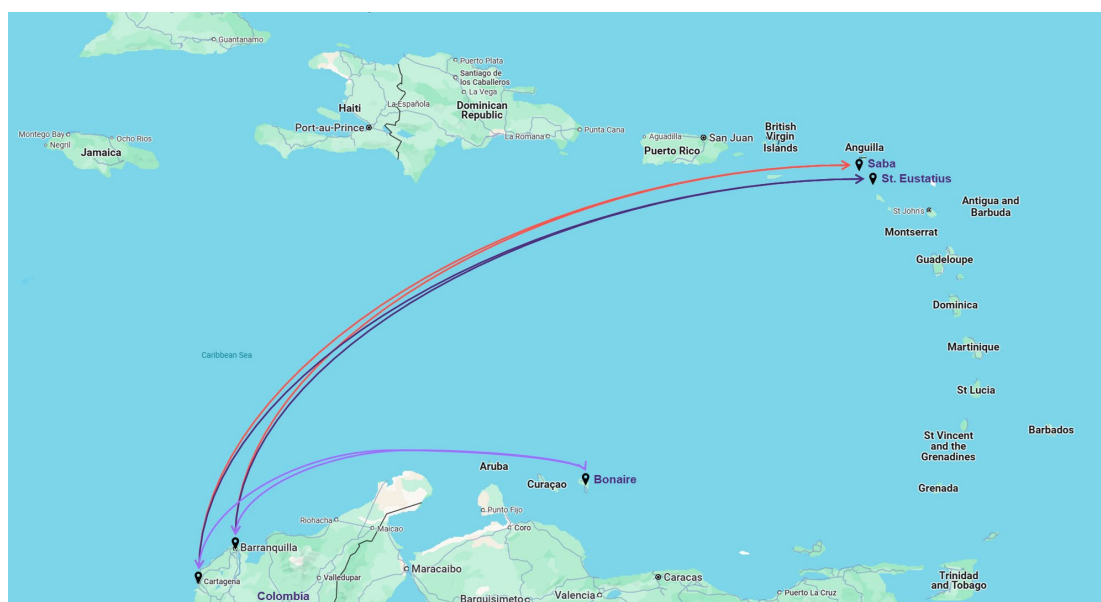


Figure 3: Scope of this study¹

The logistics chain studied in this report encompasses both sea and air freight. While the sea freight segment handles most cargo, air freight is essential for high-value, time-sensitive items such as pharmaceuticals, electronics, and perishable goods.

This study covers several logistics activities:

- Shipping routes and frequencies between Colombian ports and Bonaire, St. Eustatius, and Saba.
- The role of transshipment hubs in Curaçao, Aruba, and St. Maarten.
- Customs procedures in Colombia and the islands of Bonaire, St. Eustatius, and Saba.
- Port infrastructure and handling capacity in Bonaire, St. Eustatius, and Saba.

The following paragraphs will provide general information on the institutional framework, economic conditions, and macroeconomic statistics. They will also offer insights into the sea and air freight network, identify key stakeholders and their perspectives, discuss the customs process, and discuss other relevant topics.

¹ Google Maps - Location Colombia, Bonaire, Saba and St. Eustatius

3.1 Colombia

Colombia, officially the Republic of Colombia, is a country located in South America bordered by the Caribbean Sea to the north, Venezuela to the east and northeast, Brazil to the southeast, Ecuador, and Peru to the south and southwest, the Pacific Ocean to the west, and Panama to the northwest.



3.1.1 Institutional Framework

Colombia is a key player in regional trade and logistics in Latin America due to its strategic location, diverse ports, and established legal framework for international trade. The country has access to the Atlantic and Pacific Oceans, facilitating maritime connections with the Caribbean, including Bonaire, St. Eustatius, and Saba. Colombia operates under a framework of trade agreements such as the Pacific Alliance, Andean Community, and free trade agreements with various nations (EU and US), enhancing its capacity as a logistics hub.

Regulatory agencies like DIAN oversee customs processes, while the Ministry of Transportation ensures the development and coordination of logistics infrastructure.

In Colombia, the National Infrastructure Agency (hereafter: ANI) oversees the concessions for various port terminals in major port cities, including Cartagena, Santa Marta, Barranquilla, and La Guajira. These ports specialize in handling different types of cargo, from containers to bulk goods.

The Civil Aviation Authority of Colombia (hereafter CAAC) regulates civil aviation, the aviation industry, and Colombian airspace.²

3.1.2 General Economic Conditions

Colombia's Gross Domestic Product (hereafter: GDP) has shown steady growth since its economic surge in the 2000s, reaching USD 363 billion in 2023. The nation is on a trajectory of continued expansion, with forecasts projecting that Colombia will solidify its position as the fourth-largest economy in Latin America by 2024. Despite this achievement, GDP per capita remains relatively modest at USD 6,971, significantly below the regional average, reflecting disparities in income distribution and economic output per individual.³

The economy's resilience is underpinned by its robust services sector, which accounts for nearly two-thirds of the GDP. In 2023, Colombia experienced a modest economic growth of 0.6%, with stability persisting through the first half of 2024. Financial forecasts for 2024 anticipate a growth rate of 1.6-1.8%⁴, primarily driven by recovering private investments and stronger external demand.

The logistics sector plays a pivotal role in Colombia's economic landscape, contributing approximately 15% to the GDP⁵. Investments in transportation infrastructure and advancements in digitalization are fueling the sector's growth, which aligns with Colombia's strategic positioning as a regional logistics hub.

In the first quarter of 2024, all components of Colombia's GDP demand demonstrated improved performance, except for government expenditures and exports. Export growth was modest, increasing by only 0.7% compared to the first quarter of 2023, which recorded a 3.5% growth. This marks a notable slowdown from the robust annual growth rates of 12.3% in 2022 and 13.5% in 2023.

Colombia's economy is highly diversified, with key exports including agricultural products such as coffee, flowers, and bananas, manufacturing goods, and substantial oil and coal exports. Its geographic proximity and competitive production costs position Colombia as a strategic trading partner for the Caribbean region, including Bonaire, St. Eustatius, and Saba, further strengthening its role in regional commerce.

² <https://www.aerocivil.gov.co/english/Pages/default.aspx>

³ <https://www.statista.com/topics/11108/key-economic-indicators-of-colombia/#topicOverview>

⁴ Colombia Economic Outlook – Pedaling toward economic revival – BBVA Research Colombia – June 2024

⁵ <https://www.statista.com/topics/11108/key-economic-indicators-of-colombia/#topicOverview>

3.1.3 Colombian Perspectives on Bonaire, St. Eustatius, and Saba

Private Sector

The Colombian private sector's perspective on trade with Bonaire, St. Eustatius, and Saba reveals untapped potential and growing interest, albeit limited awareness. While Bonaire, St. Eustatius, and Saba islands are not explicitly recognized as distinct markets, Colombian entrepreneurs are open to exploring opportunities for their products. The proximity and economic dynamics of the Dutch Caribbean, particularly Aruba and Curaçao, play a pivotal role in fostering this interest.

Many Colombian businesses are familiar with Aruba and Curaçao due to their geographical proximity, purchasing power, and tourism appeal. These islands are accessible via direct flights operated by Avianca and Wingo. Efforts by promotional agencies, the Dutch Embassy, Holland House Colombia, Chambers of Commerce, and ProColombia have further heightened awareness of Aruba and Curaçao. While less prominent, Bonaire benefits from its proximity and some initial tourism spillover from Colombians visiting Curaçao and Aruba. The recent trade missions led by the Cabinet of the Special Envoy of Bonaire, St. Eustatius, and Saba have also increased awareness, albeit primarily for Bonaire. Conversely, St. Eustatius and Saba remain virtually unknown in Colombia, with many entrepreneurs learning of their existence for the first time.

Colombian exports to these islands are minimal, with petroleum products dominating the total value of trade. Despite this, approximately 25-30% of Colombian exports target the Caribbean region, suggesting significant untapped potential.

ProColombia

ProColombia has a limited understanding of Bonaire, St. Eustatius, and Saba, with some interviewees unaware of their geographical location within the Kingdom of the Netherlands. Although ProColombia recognizes the islands and their minimal trade relations with Colombia, their primary challenges are low trade volumes and limited demand, mainly due to their small population.

ProColombia confirmed that goods are mainly transported to Bonaire, St. Eustatius, and Saba via routes connecting Colombia to Miami, where these islands, alongside other smaller Caribbean territories, are supplied. Bonaire, however, benefits from its proximity to Colombia and is served by shipments from the port of Willemstad in Curaçao.

One potential alternative that ProColombia suggests involves chartering ships from smaller Colombian Caribbean ports, such as Puerto Brisa in La Guajira, which is geographically close to Bonaire and capable of handling containerized cargo. Shipping companies like MTG could potentially explore this route. However, ProColombia clarified that this suggestion was not made due to a strong belief in the business case but rather as a possible solution. The feasibility of this approach depends on cargo volumes, and while chartered services might mitigate cancellations, their sporadic nature would not provide the predictability exporters require.

An ongoing initiative by ProColombia and other actors, including the Cabinet of the Special Envoy, the Chambers of Commerce of Bonaire, Statia, and Saba, island promotional agencies, and Holland House Colombia, focuses on increasing awareness of Bonaire, St. Eustatius, and Saba. As demand from Colombia grows, the logistics infrastructure to these islands is expected to improve, potentially driving stronger business relations between the islands and Colombia.

3.1.4 Sea Freight Network to Bonaire, St. Eustatius, and Saba

Port facilities



Colombia has five significant ports: Cartagena, Barranquilla, Santa Marta, Buenaventura, and Tumaco.⁶ Cartagena, Barranquilla, and Santa Marta are the primary departure points for goods destined for the islands of Bonaire, St. Eustatius, and Saba. These ports are pivotal to the Caribbean logistics network, handling substantial cargo volumes for various regional and international destinations.

- **Cartagena**

Located on the Caribbean coast at Cartagena Bay, Cartagena Port is also known as the “Jewel of the Caribbean.”⁷ This is Colombia's most significant and safest port on the northern coast, strategically positioned near major transoceanic routes via the Panama Canal. This prime location enables Cartagena to act as a critical transshipment hub. The port's exports include ground coffee, oil, automobiles, fruits, vegetables, nickel, textiles, and

resin. Major imports include chemicals, packaged foods, machinery, paper, and construction equipment. Cartagena processes approximately 1,400 ships, 7,1 million tonnes of cargo, and 795,381 TEUs⁸ annually. It accommodates a range of vessels, including container ships, bulk carriers, and specialized ships for high-value or sensitive goods. It also offers frequent connections to regional hubs and Caribbean destinations.

- **Barranquilla**

Situated along Colombia's Caribbean coastline, Barranquilla is another significant port managed by the Harbour Society of the North SA. It handles 3,3 million tons of cargo, 99,000 TEUs, and over 1,000 ships annually. Though smaller than Cartagena, Barranquilla remains crucial for Caribbean trade, particularly in containerized cargo, bulk shipments, and some refrigerated goods. Exports from Barranquilla include sugar, wood, textiles, synthetic fibers, steel, and pharmaceuticals.

- **Santa Marta**

Located just 50 nautical miles from Barranquilla, Santa Marta is the third-largest port in Colombia, handling 3,32 million tonnes of cargo annually. With an inner port and 1,200 meters of cargo berths, Santa Marta primarily imports grains and exports coal, fruits, refined oil, containers, coffee, and bulk liquids. The port operates at 60% of its capacity and offers extensive services, including container cleaning and repairs. It is well-connected to the hinterland by both roadways and railways.

These ports are essential hubs for Colombia's export-driven economy and play a vital role in trade between Colombia and the islands of Bonaire, St. Eustatius, and Saba.

Shipping Routes

The absence of direct shipping routes between Colombia and the islands of Bonaire, St. Eustatius, and Saba necessitates reliance on transshipment hubs to maintain the logistics flow. Goods destined for Bonaire typically pass through Curaçao or Aruba, with Curaçao functioning as the primary transshipment hub for this route. Similarly, for Saba and St. Eustatius, St. Maarten plays a pivotal role as the main transshipment and logistics center. Cargo from Colombia is commonly routed through Florida before reaching St. Maarten, from where it is distributed to the smaller islands. These intermediary hubs are critical for facilitating trade, ensuring efficient cargo handling, and maintaining supply chains across the Caribbean.

⁶ <https://www.marineinsight.com/know-more/5-major-ports-in-colombia/#:~:text=The%20transcontinental%20country%20of%20Colombia,and%20around%2015%20river%20ports>

⁷ <https://www.calendariodecolombia.com/en/education/what-are-the-main-ports-in-colombia>

⁸ A TEU (twenty-foot equivalent unit) measures volume in units of twenty-foot-long containers.

The routes from Cartagena, Barranquilla, and Santa Marta to Curaçao, Aruba, and St. Maarten are serviced by various shipping lines that handle direct and indirect shipments, with stops at other Caribbean ports.

The leg between Curaçao/Aruba and Bonaire or St. Maarten and Saba/St. Eustatius are connected through mostly smaller feeder vessels.

Below is an overview of the current shipping routes from Colombia to Bonaire, St. Eustatius, and Saba islands.⁹

Route	Shipowners	Transshipment port	Frequency
Cartagena, Barranquilla, and Santa Marta to ABC Islands	<ul style="list-style-type: none"> Caribbean Feeder Services (CFS) Unifeeder X-press Feeder 	<ul style="list-style-type: none"> Direct route to Aruba and Curaçao. Curaçao to Bonaire. 	Weekly
Cartagena, Barranquilla, and Santa Marta to St. Maarten, St. Eustatius and Saba	<ul style="list-style-type: none"> Seaboard Marine Crowley Maritime Tropical Shipping 	<ul style="list-style-type: none"> Miami to St. Maarten. 	Variable (weekly in most cases)
Cartagena, Barranquilla, and Santa Marta to St. Maarten, St. Eustatius and Saba	<ul style="list-style-type: none"> Seaboard Marine Crowley Maritime Tropical Shipping 	<ul style="list-style-type: none"> San Juan (Puerto Rico) to St. Maarten. Kingston (Jamaica) to St. Maarten. St. Maarten to St. Eustatius and Saba. 	Varies depending on the shipping line and demand

Table 1: Current Shipping Routes from Colombia to the islands of Bonaire, St. Eustatius, and Saba

Shipping Services to Aruba and Curaçao¹⁰

Although weekly feeder services operate from Cartagena and Barranquilla to Aruba and Curaçao, their reliability is inconsistent. Cancellations for port calls in Aruba and Curaçao are frequent, primarily due to delays at other ports caused by severe congestion. The rapid growth of international trade, mainly imports from Asia to the Caribbean, has outpaced local ports' capacity and regulatory frameworks' efficiency. As a result, many ports are operating beyond their limits. To manage these delays and maintain overall schedule integrity, captains often cancel subsequent stops, disproportionately affecting Aruba and Curaçao as they are lower-priority ports on these routes.

Logistical connections between Colombia and St. Maarten

Shipping routes directly connecting Colombia to St. Maarten are limited. Major global shipping lines, including Maersk, CMA CGM, and Hapag-Lloyd, provide services indirectly connecting these locations through transshipment hubs. These connections are often facilitated via Florida, primarily through Port Everglades, a primary gateway for Caribbean-bound goods.

From Florida, regional feeder operators such as Crowley Logistics, Seaboard Marine, and Tropical Shipping handle shipments to St. Maarten and nearby islands, occasionally including Saba and St. Eustatius in their itineraries. Other prominent transshipment hubs for these routes include Kingston in Jamaica and San Juan in Puerto Rico, which are pivotal points for redistributing cargo across the region.

The dependency on these feeder networks highlights the logistical challenges and opportunities for strengthening trade between Colombia and the islands of Bonaire, St. Eustatius, and Saba. Expanding direct shipping routes could improve efficiency and reduce costs, benefiting regional commerce.

⁹ Information received by Holland House on 22 November 2024.

¹⁰ Information received by Holland House on 22 November 2024.

FOB Shipping Practices

Colombian exporters predominantly operate on FOB (Free on Board) terms, where they ensure the delivery of goods to the departure port but leave the subsequent logistics to the buyer. This arrangement places the responsibility for navigating complex shipping routes on buyers, particularly to Bonaire, St. Eustatius, and Saba.

Given the current logistical challenges, such as indirect routes and frequent cancellations, successful trade requires reliable freight agents and trustworthy shipping connections to mitigate risks and ensure timely delivery.

The economic viability – Demand for goods

While the islands have ports capable of handling vessels with onboard cranes, shipowners note that stopping in their ports is not economically feasible due to low demand. According to logistics agents in Colombia, a significant issue for Colombian exporters is the low demand for goods to these islands, which accounts for less than 0.1% of the region's activities. Limited awareness of market opportunities and the relatively small population in Bonaire, St. Eustatius, and Saba exacerbate the situation.

The combination of operating costs in Colombia, Aruba, and Curaçao and the small volume of goods destined for Bonaire make it uneconomical. The same issue applies to St. Eustatius and Saba, with goods shipped through Florida and St. Maarten first.

Even Colombian shipowners with suitable vessels who do not currently serve the ABC islands expressed similar concerns, citing the need for specialized ships and higher costs as barriers to entry. These factors collectively make regular (direct) service to Bonaire unlikely in the foreseeable future.

Cargo consolidation by Colombian exporters

Consolidating cargo is another bottleneck, as Colombian exporters are hesitant to share containers with other exporters. This is the case for perishable goods, as exporters are wary of contamination risks when their products are mixed with others in the same container. Exporters are also hesitant because of security risks. Working with consolidators means working with additional intermediaries, which may lead to less control and oversight of handling goods before they are shipped. Additionally, business partnerships between Colombian exporters and importers from Bonaire, St. Eustatius, and Saba, supporting trust and trade, are underdeveloped.

Key conditions of Colombian shipowners for regular shipping services

The absence of direct shipping routes to Bonaire, St. Eustatius, and Saba presents a significant challenge. According to Holland House, the shipowners in Colombia highlight three key conditions for establishing regular shipping services to a port:

1. Demand for containers: A critical factor is the volume of containerized goods moving to and from the port. Without sufficient demand, ships are more effectively utilized at higher-traffic ports.
2. Infrastructure: Ports must have the necessary infrastructure to handle ships efficiently, such as adequate docking facilities, cranes, and sufficient turnaround time. The faster a ship can load and unload, the less it costs for the shipowner.
3. Stability: Political and economic stability is also crucial, although shipowners are generally confident in the islands' stability. However, they suggest that improvements in demand and infrastructure would encourage more frequent services.

Shipowners prioritize ports where they can reduce operational costs, with the availability of suitable infrastructure and high productivity being key considerations. Improving demand and infrastructure could significantly enhance the feasibility of establishing direct shipping routes to Bonaire, St. Eustatius, and Saba.

3.1.5 Air Freight Network to Bonaire, St. Eustatius, and Saba

Air cargo between Colombia and the islands of Bonaire, St. Eustatius, and Saba is generally limited. Large and small freight services are available, but several challenges related to frequency and capacity exist. While sea freight accounts for most cargo volume, air freight plays a significant role in high-value and time-sensitive goods. Items such as pharmaceuticals, electronics, and perishables often require faster transit times, making air freight an essential component of the logistics chain.

Airport Facilities

Colombia has 44 airports that have scheduled service on commercial airlines. El Dorado International Airport in Bogotá and José María Córdova International Airport in Medellín are the primary points of departure for air freight destined for the islands of Bonaire, St. Eustatius, and Saba. These airports are major cargo hubs that support high-volume international freight services.

Direct flights to Bonaire, St. Eustatius, and Saba

There is only one direct flight to Bonaire with Z Air from Barranquilla.¹¹ It operates 2-3 times a week. Z Air does not ship cargo out of Colombia to Bonaire.¹² Most air freight requires transshipment to nearby airports, particularly Curaçao.

There is no direct flight to St. Eustatius and Saba, and most air freight requires transshipment to nearby airports, particularly St. Maarten.

Large Air Cargo

Larger shipments are typically handled through international airports such as Bogotá's El Dorado International Airport or Medellín's José María Córdova International Airport. Major air carriers like Avianca and Wingo operate flights to the Caribbean, including Aruba and Curaçao, which serve as transshipment hubs for cargo heading to Bonaire, St. Eustatius, and Saba. Cargo flights for larger items (such as machinery, industrial equipment, and bulk goods) are often routed through these larger airports, from where it is transferred to smaller cargo planes or regional carriers.

Small Air Cargo

Smaller air cargo, including high-value goods, perishables, or urgent shipments, is typically routed via freight agents. The logistics chain involves consolidators and freight forwarders who handle the paperwork, customs clearance, and logistics to ensure timely delivery. This air cargo often moves on scheduled flights operated by regional carriers, which more flexibly accommodate small consignments.

3.1.6 Customs Process for Export from Colombia

In Colombia, the customs procedures for export are standardized and do not vary based on destination. All exported goods must follow a set of steps, ensuring compliance with regulations and streamlining the process for exporters.¹³

Exportation process

Companies or individuals must register with the DIAN and have an updated Tax Identification Number (RUT) to become exporters. The goods must comply with international trade regulations and may require special permits or certificates (health, phytosanitary, or certificates of origin). The goods are classified under the Harmonized System (HS), which determines tariffs and export regulations based on the product type. For Bonaire, St. Eustatius, and Saba, tariffs are typically zero, with only the “Algemene Bestedingsbelasting” (general expenditure tax) applied on Bonaire (8%) and St. Eustatius and Saba (6%), paid upon arrival. Customs duties vary depending on the destination and any existing free trade agreements.

¹¹ <https://bonaireinternationalairport.com/destinations/>

¹² <https://www.flyzair.com/en/travel-info/z-cargo/>

¹³ Information received by Holland House on 22 November 2024.

Exporters must submit several documents to DIAN and the transportation entity, including:

- Commercial invoice: Details of the goods, their value, payment terms, and information for both exporter and importer.
- Export declaration: Export declarations are submitted electronically through DIAN's Integrated Foreign Trade System (VUCE).
- Packing list: Lists each shipment's contents, weight, and packaging details.
- Additional certificates: Supplementary certifications may be needed depending on the nature of the goods (e.g., phytosanitary or sanitary certificates).

Exporters submit their documents electronically via the Muisca platform. DIAN reviews the declaration and associated documents. The goods may undergo physical or documentary checks to verify compliance with regulations. If all documentation is correct, DIAN approves the export and issues the export certificate, allowing the goods to be shipped.

Usage of customs agents

While errors in document submission can lead to delays or fines, customs agents are crucial for adequately handling export paperwork. DIAN vets them, and if mistakes are made, they face heavy penalties based on the value of the goods. It is recommended that exporters, particularly small ones, engage customs agents to handle this process.

Delays

Despite the advancements in digital systems like Muisca, bottlenecks can still occur. The system occasionally faces slowdowns or technical issues, which lead to delays. However, if delays persist and DIAN is continuously blamed, it might indicate internal problems with the customs agent rather than systemic failures.

Regarding timeframes, exporters should ensure containers are at the port 5-7 days before departure to account for document verification, inspections, and anti-narcotics checks, if applicable. For containers being filled at the port, 10 days is a safer estimate to cover all processes.

3.1.7 Export to Bonaire, St. Eustatius, and Saba

To have an insight into the export from Colombia to the islands of Bonaire, St. Eustatius, and Saba, two datasets were analyzed:

- The value and composition of goods exported from Colombia to Aruba and Curaçao for 2021-2023. This analysis is based on data from Customs Colombia.
- The value and composition of goods imported in Bonaire, St. Eustatius, and Saba islands originating from Colombia for 2020-2023. This analysis is based on data from Customs Caribbean Netherlands.

The data sets register key data points such as the number of transactions, country of export, provincial origin, country of destination, type of transport, year of export, HS codes, and goods description¹⁴, FOB or CIF value of exported goods, weight of goods. These datasets provide a foundation for understanding export trends from Colombia to Aruba and Curaçao (as transshipment hubs) and what part of that export finds its way to Bonaire, St. Eustatius, and Saba islands.

The total value of exported goods from Colombia to both Aruba, Curaçao, and the islands of Bonaire, St. Eustatius, and Saba

The value of Colombian goods exported to Aruba and Curaçao increased from USD 40 million in 2021 to USD 60 million in 2023. Despite this absolute increase, exports of goods to Aruba and Curaçao are a marginal share of Colombia's total exports of goods and services, hovering at around 0.08%.

¹⁴ Standardized commodity classification codes for international trade aid in identifying the nature of goods.

In turn, the share destined for Bonaire, St. Eustatius, and Saba, with transshipment mainly via Curaçao, has ranged between 5% and 7%. In absolute terms, there is an increase from USD 2.1 million in 2020 to USD 4.3 million in 2023.

Below is an overview of the estimated export flows between Colombia and the islands of Bonaire, St. Eustatius, and Saba during 2020-2023.

Year	Exports goods and services (BoP ¹⁵ , current USD) from Colombia	FOB exports (USD) goods from Colombia to Aruba and Curaçao	FOB exports goods to Aruba and Curaçao as (%) of total Colombia exports	CIF imports (USD) goods to Bonaire, St. Eustatius, and Saba originating from Colombia	CIF imports goods to Bonaire, St. Eustatius, and Saba from Colombia as (%) of Colombian FOB exports to Aruba and Curaçao
2020	38 billion	-	-	2.1 million	-
2021	50 billion	43 million	0.08	2.2 million	5.2
2022	73 billion	56 million	0.07	4.1 million	7.3
2023	68 billion	59 million	0.08	4.3 million	7.3

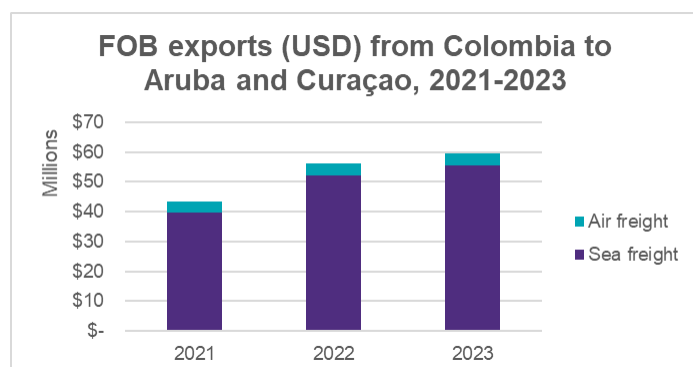
[Table 2: Overview of estimated export flows between Colombia and the islands of Bonaire, St. Eustatius, and Saba 2020-2023](#)

Bonaire is the primary recipient of goods imported from Colombia. Bonaire’s total import value fluctuates in the years 2020 (USD 240 million), 2021 (USD 290 million), and 2022 (USD 260 million). Nevertheless, the share of Colombian CIF imports relative to the island’s total import value shows an increase from roughly 0.8% in 2020 to 1.5% in 2022.

The share of Colombian CIF imports in Bonaire relative to the FOB exports to Aruba and Curaçao, depicted in Table 2, reaffirms the (modest) upward trend of imported goods from Colombia. Note the differences in metrics used, especially FOB and CIF values. The overestimation of the import value into Bonaire, St. Eustatius, and Saba likely does not significantly impact trends and proportional relationships in the trade flow between Colombia and Bonaire, St. Eustatius, and Saba. In 2022, on average, international transport and insurance costs will add about 4.9% to the FOB value of goods.¹⁶ These costs can vary significantly across different regions and commodities. Small island developing states (SIDS) often face the highest transport and insurance costs relative to their import expenses due to geographic isolation and limited economies of scale.¹⁷

The value of sea and air freight

Customs data show that, by far, most exported goods are shipped by sea freight. For Aruba and Curaçao, sea freight accounts for 91-93% of goods imported from Colombia in 2021-2023. Below is an overview of the FOB exports in USD from Colombia to Aruba and Curaçao during 2021-2023.



[Figure 4: FOB exports \(USD\) from Colombia to Aruba and Curaçao during 2021-2023](#)

¹⁵ BoP = Balance of Payments

¹⁶ https://oecdstatistics.blog/2024/07/30/recent-developments-in-international-transport-and-insurance-costs-insights-from-the-oecd-itic-database/?utm_source

¹⁷ https://unctad.org/news/new-global-dataset-reveals-hidden-costs-international-trade-and-transport?utm_source

Sea freight accounts for 90-96% of goods imported from Colombia in 2021-2023 for Bonaire, St. Eustatius, and Saba islands. In 2020, airfreight accounted for 17% of Colombia's goods imported to Bonaire, St. Eustatius, and Saba. This outlier probably reflects the COVID-19 context and measures affecting international logistics.

Below is an overview of the USD CIF imports from Colombia to Bonaire, St. Eustatius, and Saba islands during 2020-2023.

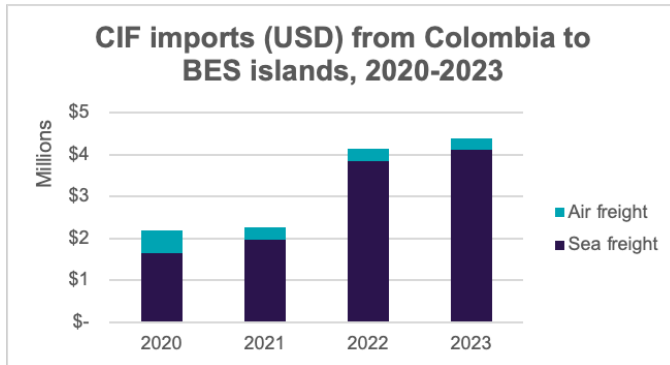


Figure 5: CIF imports in USD from Colombia to the islands of Bonaire, St. Eustatius, and Saba during 2020-2023

Cargo composition

Customs data analysis makes it possible to outline cargo composition. The data sets are based on similar software (Asycuda) that uses a standardized international system for classifying traded goods (HS). Looking at the top 10 HS product categories (at their most general or ‘chapter’ level) shipped by sea - and air freight separately highlights differences in their compositions and trends.

Sea Freight

The figure below shows the top 10 HS product categories exported to Bonaire, St. Eustatius, and Saba for sea freight.

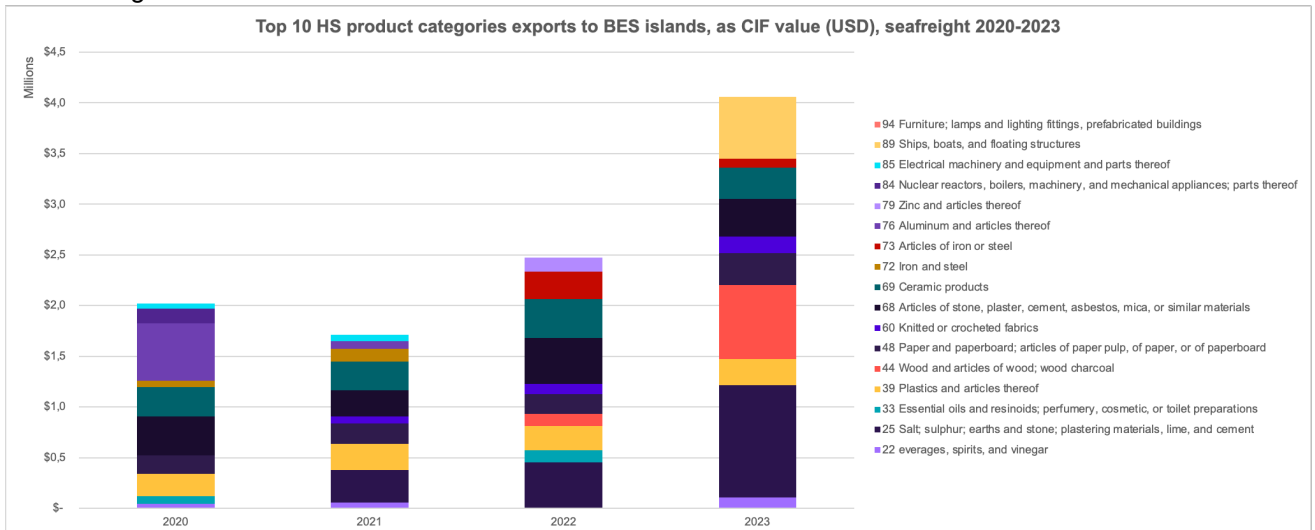


Figure 6: Top 10 HS product categories exports to Bonaire, St. Eustatius, and Saba, as CIF value (USD) for sea freight during 2020-2023

The increase in CIF imports from Colombia to Bonaire, St. Eustatius, and Saba is driven by sea freight. Three product groups largely account for this increase:

- 25 Salt, sulphur; earths and stone plastering materials; lime and cement.
- 44 Wood and articles of wood; wood charcoal.
- 89 Ships, boats, and floating structures.

There are also product groups that show a steady and significant share of the CIF imports by sea freight to Bonaire, St. Eustatius, and Saba throughout 2020-2023:

- 29 Plastics and articles thereof.
- 84 Nuclear reactors, boilers, machinery, and mechanical appliances; parts thereof.
- 69 Ceramic products.

Air Freight

Despite the upward trend of the total CIF imports from Colombia to Bonaire, St. Eustatius, and Saba in recent years, air freight has slightly decreased in absolute value. Seven product groups largely account for this decrease:

- 34 Soap, organic surface-active agents; washing preparations.
- 39 Plastics and articles thereof.
- 40 Rubber and articles thereof.
- 60 Knitted or crocheted fabrics.
- 70 Glass and glassware.
- 80 Tin and articles thereof.
- 81 Other base materials; cermet; articles thereof.

The figure below depicts the top 10 HS product categories exported to Bonaire, St. Eustatius, and Saba for air freight.

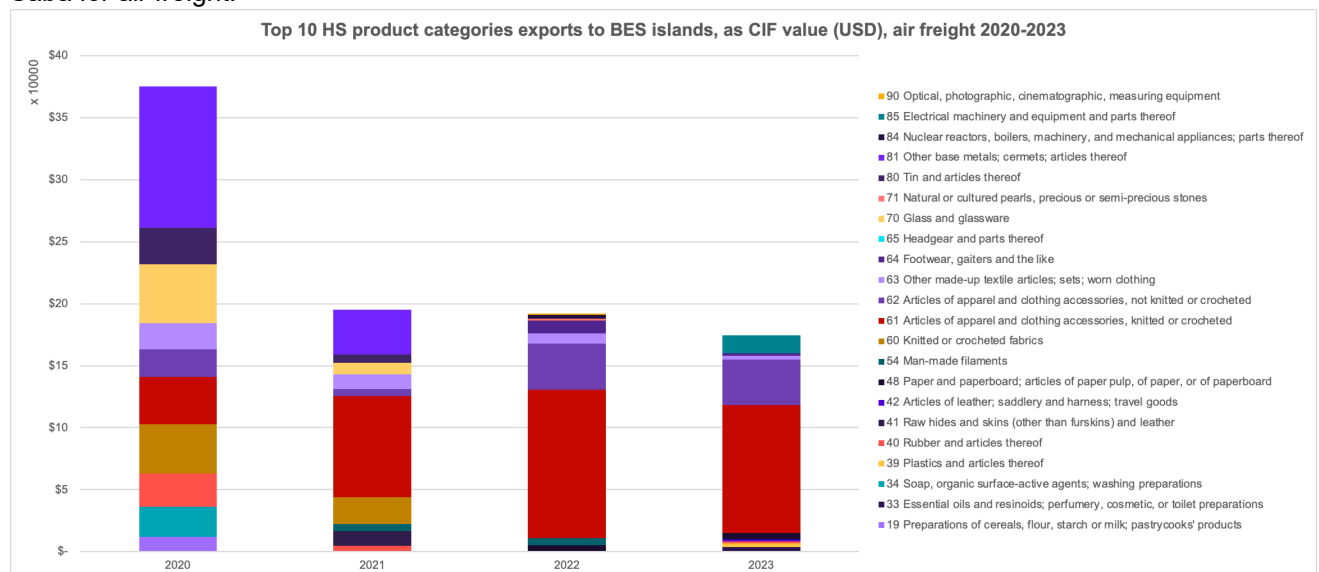


Figure 7: Top 10 HS product categories exports to Bonaire, St. Eustatius, and Saba, as CIF value (USD) for air freight during 2020-2023

In contrast, product groups 61 and 62 (articles of apparel and clothing accessories; knitted or crocheted/not knitted or crocheted) have notably increased after 2020 and account for the most significant shares of air freight imports.

Takeaways from this overview are that COVID-19 circumstances prompted efforts to ship certain goods by air freight. This explains the spike in the value of air freight imported in 2020. That year also saw a more diversified composition of goods.

After COVID-19, in 2021-2023, the total value of air freight decreased steadily while the value of goods shipped by sea freight increased. This suggests that air freight plays an auxiliary role in the trade when

sea freight is hampered but that sea freight maintains the preferred option when international logistics are normalized.

Moreover, note the absence of perishable product categories, such as dairy, meat, vegetables, fruit, and plants in Graph 7. This may indicate a relatively low export value for perishables from Colombia to the islands of Bonaire, St. Eustatius, and Saba. This may resonate considering that a significant share of perishable goods on Bonaire is imported from Europe through commercial airline cargo space. It may also be possible that perishables from Colombia have been transported by sea freight from Curaçao after initially arriving there by air freight.

Regions of product origin

Based on the Colombia Customs data set, it is possible to map the regional origins of imported products to Aruba and Curaçao. The data includes Colombia's origin departments (regions or states) from which shipments are exported. Colombia has 32 departments and one capital district, Bogotá, totaling 33 regions. In its exports to Aruba and Curaçao, 27 regions of Colombia are represented. Refer to Figure 8 for a complete overview of the departments in Colombia.

Figure 9 provides an overview of the FOB export value from Colombia to Aruba and Curaçao for 2021-2023. It shows that trade growth was reflected in relatively evenly divided growth for most regions, with Antioquia, Atlántico, and Bogotá consistently leading and jointly accounting for more than half of total exports. The most notable region where exports declined is Santander.

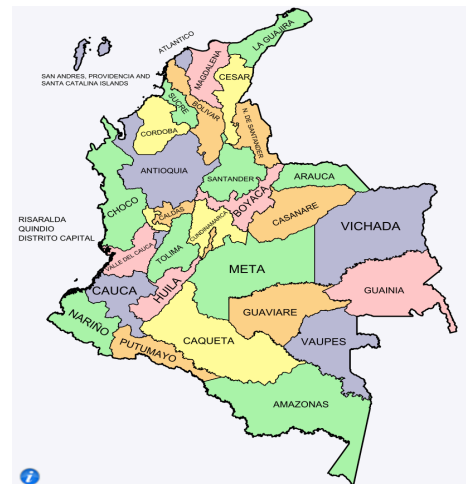


Figure 8: Overview of the departments in Colombia

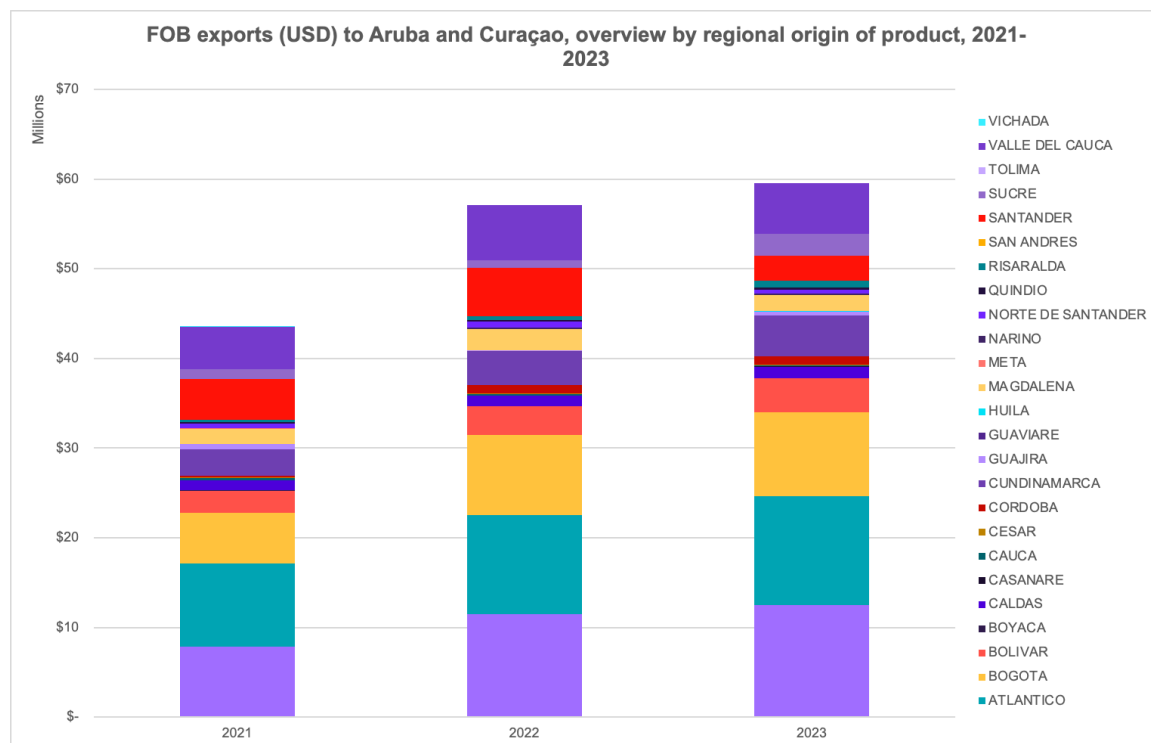


Figure 9: FOB export value in USD from Colombia to Aruba and Curaçao by regional origin of product for the years 2021-2023

The top 5 regions in terms of exported value to Aruba and Curaçao are Antioquia, Atlántico, Bogotá, Cundinamarca, and Valle del Cauca.

Antioquia, Bogotá, and Cundinamarca are virtually the only regions that deliver products by airfreight, reflecting their mostly landlocked (except for a part of Antioquia) geographic position and their industries.

Refer to the table below for an overview of the FOB exported value per Colombian region to Aruba and Curaçao for sea – and air freight during 2023.

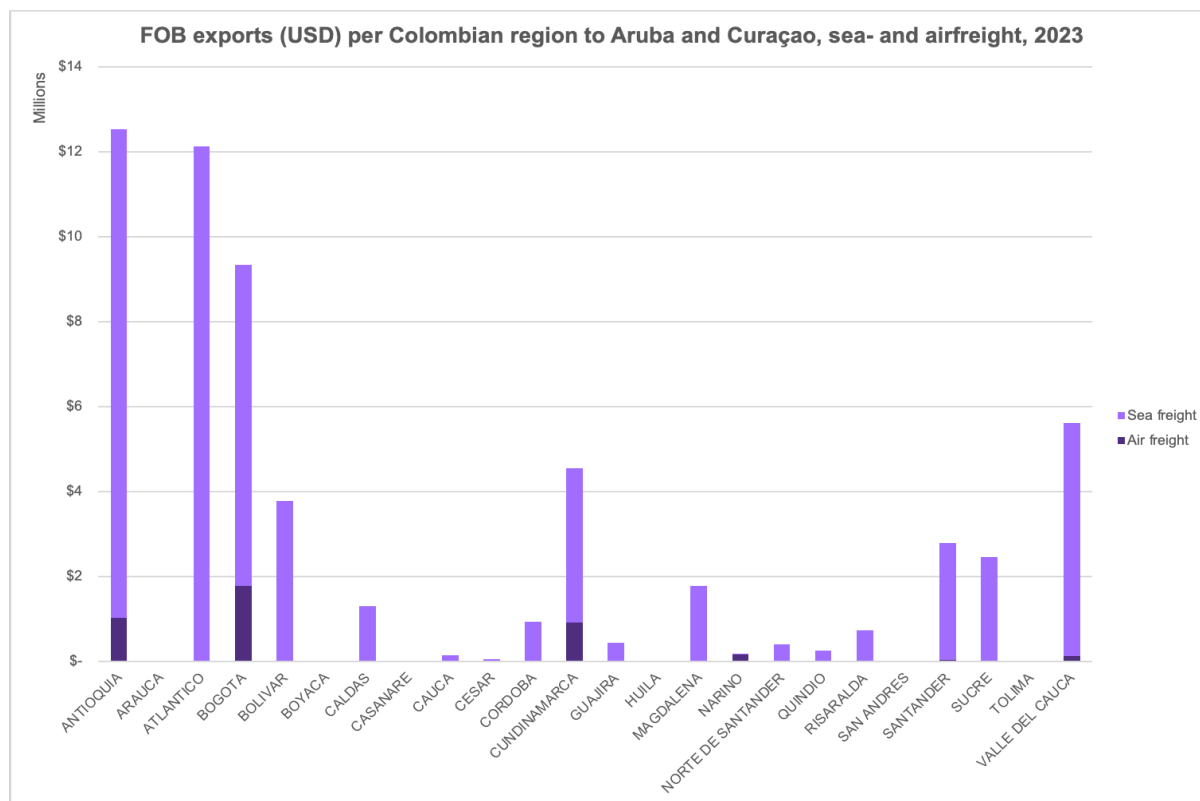


Figure 10: FOB exported in USD per Colombian region to Aruba and Curaçao, sea – and air freight during 2023

Overall, the top export products from each Colombian region shipped to Aruba and Curaçao correspond well with their known production strengths. Table 3 provides an overview for the year 2023 for air freight, listing the top 5 regions and each region’s top 3 exported product groups to Aruba and Curaçao.

Top 5 regions	Top 3 export product groups	Region description
Antioquia	08 Edible fruit and nuts 19 Preparations of Cereals, Flour, Starch, or Milk 21 Miscellaneous Edible Preparations	Antioquia is a leading agricultural hub in Colombia, renowned for producing tropical fruits, particularly bananas and avocados.
Atlántico	02 Meat and Edible Meat Offal 08 Edible fruit and nuts 76 Aluminum and Articles Thereof	Situated on the Caribbean coast, Atlántico has a strong livestock industry and serves as a key industrial and port area.
Bogotá	06 Live Trees and Other Plants 08 Edible fruit and nuts 76 Aluminum and Articles Thereof	As the capital city, Bogotá is a central hub for commerce and trade and has a notable floriculture industry.
Cundinamarca	04 Dairy Produce 06 Live Trees and Other Plants 69 Ceramic Products	Encircling Bogotá, Cundinamarca is recognized for its dairy farming and flower cultivation.

Top 5 regions	Top 3 export product groups	Region description
Valle del Cauca	17 Sugars and Sugar Confectionery 21 Miscellaneous Edible Preparations 23 Residues and Waste from the Food Industries Prepared Animal Fodder	Known for extensive sugarcane plantations and a strong food processing industry.

Table 3: Overview of top 5 regions for export value to Aruba and Curaçao by air freight in 2023

In the figure below, the top 3 HS product categories exported per Colombian region to Aruba and Curaçao by air freight in 2023 are depicted, reflecting Antioquia, Atlántico, Bogotá, Cundinamarca, and Valle del Cauca as the top 5 regions.

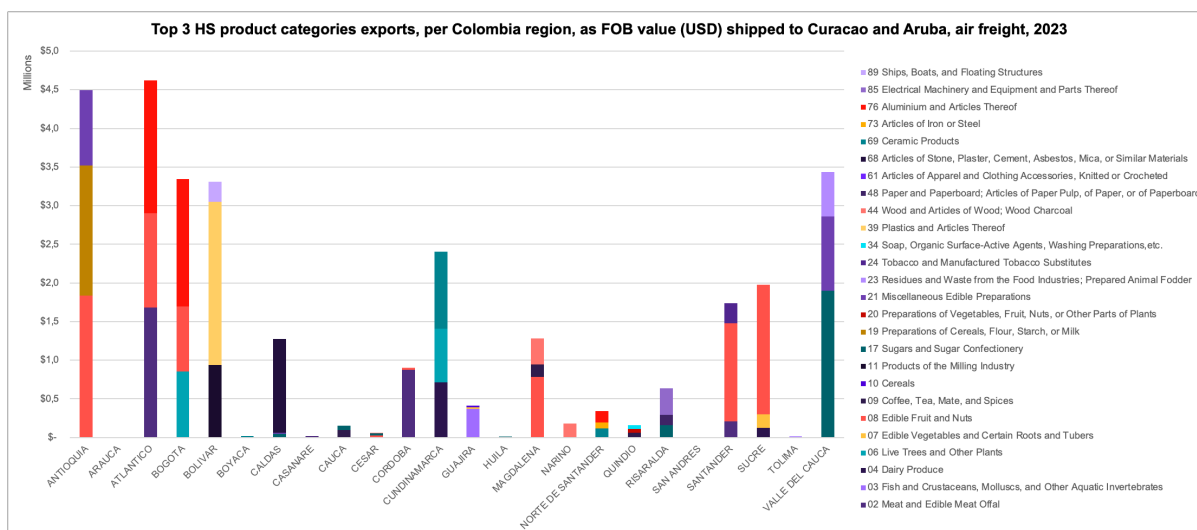


Figure 11: Top 3 HS product categories exports, per Colombia region, as FOB value in USD shipped to Curaçao and Aruba by air freight during 2023

3.2 Bonaire

Bonaire spans approximately 111 square miles and is about 50 miles off the Venezuelan coast and 669 miles from Colombia. It is geographically and culturally significant, forming the "B" in two prominent regional groupings. Of the Caribbean Netherlands—Bonaire, St. Eustatius, and Saba—it has the largest population (about 25,000).

In recent years, the population of Bonaire has increased significantly, from 15 thousand inhabitants in 2011 to 25 thousand in 2024—the population is expected to continue growing in the coming years, reaching 35 thousand by 2035.

Bonaire is part of the ABC islands, alongside Aruba and Curaçao. Aruba and Curaçao represent key destinations in the Dutch Caribbean, and they serve as regional transshipment hubs in proximity and connection to Bonaire.

3.2.1 Institutional Framework

Bonaire is one of the three special municipalities, along with St. Eustatius and Saba, which form part of the Netherlands' administrative structure known as the Caribbean Netherlands: Bonaire, St. Eustatius, and Saba. These islands are classified as public entities of the Netherlands and as OCTs of the EU. The three islands of Bonaire, St. Eustatius, and Saba gained their current legal status following the dissolution of the Netherlands Antilles on October 10, 2010.

As a special municipality of the Netherlands, Bonaire operates under Dutch administrative law, which influences its trade and customs policies. Bonaire depends on imports for most goods, and customs regulations are managed locally but aligned with EU standards to some extent. Key institutions include



the Public Entity Bonaire, Dutch customs authorities, and Customs Caribbean Netherlands (hereafter: Customs CN), which supervise and enforce import-export regulations and compliance.

The port of Bonaire operates under the Maritime Management Act BES, which establishes the region's maritime and port activities regulations.

The Port Master, appointed under this Act, has the authority and responsibility for managing all operations within the port, ensuring compliance with maritime laws, and handling goods and vessels efficiently.

Its logistics sector is managed within the framework of its small-scale economy, primarily centered around its port at Kralendijk.

3.2.2 General Economic Conditions

Bonaire's economy predominantly relies on tourism and imports, with agriculture and the service industry playing minor roles.¹⁸ CBS figures highlight that Bonaire's GDP grew 8.8% in 2022, reaching an estimated USD 662 million. This growth was primarily driven by a significant increase in tourism, which accounts for approximately 40% of the island's GDP, or around USD 265 million. These figures recognize tourism's role as Bonaire's principal economic engine.¹⁹

From 2012 to 2022, Bonaire's GDP exhibited notable value, volume changes, and fluctuations, reflecting growth, contraction, and recovery periods. Table 4 provides an overview of Bonaire's GDP during 2021 and 2022.

Year	GDP, value at current prices (million USD)	GDP, value at prices of 2017 (million USD)	GDP, value changes (%)	GDP, volume changes (%)
2012	417	443	-	-
2013	434	453	4.1	2.4
2014	452	461	4.1	1.6
2015	466	476	3	3.4
2016	487	487	4.6	2.2
2017	480	480	-1.4	-1.3
2018	505	499	5	3.9
2019	553	531	9.6	6.3
2020	505	486	-8.8	-8.4
2021	583	543	15.4	11.7
2022	662	590	13.6	8.8

Table 4: Bonaire's GDP 2012-2022²⁰

3.2.3 Macroeconomics Statistics

The logistics chain is crucial for delivering consumer goods, building materials, and energy supplies. The island's port facilities are moderately developed and focus on accommodating imports rather than large-scale export operations. Trade with Colombia, through Curaçao and Aruba, is characterized by proximity and historical ties, enabling regular maritime transport of goods. The small market size limits large-scale logistics operations, but demand for imports is consistent and growing.

¹⁸ <https://bonairechamber.com/en/running-a-business-on-bonaire/the-economy/>

¹⁹ <https://bonaireisland.com/tourism-corporation-bonaire-looks-back-at-a-successful-annual-bonaire-tourism-summit-2/>

²⁰ <https://www.cbs.nl/en-gb/figures/detail/84789ENG>

Below is an overview of the import- and export value of Bonaire from 2012-2022²¹:

Year	Import Value in 1,000 USD	Export Value in 1,000 USD
2012	168.732	11.557
2013	165.286	14.024
2014	163.774	13.834
2015	193.932	9.496
2016	200.633	8.704
2017	212.827	10.914
2018	223.198	9.302
2019	252.566	11.966
2020	243.818	8.044
2021	291.505	9.673
2022 ²²	264.863	7.799

Table 5: Import- and Export Value of Bonaire during 2012-2022

Between 2012 and 2022, trade trends in Bonaire revealed a consistent reliance on imports, with export levels remaining significantly lower.

Import values steadily increased over the decade, starting at USD 168.7 million in 2012 and peaking at USD 291.5 million in 2021. Even with slight fluctuations, such as a dip to USD 243.8 million in 2020 during the COVID-19 pandemic, imports maintained a rising trend, demonstrating Bonaire's dependency on foreign goods to sustain its economy.

Export values remained relatively low and stagnant compared to imports, ranging from USD 7.8 million to USD 14 million annually. The highest export value was recorded in 2013 at USD 14 million, but this level was not sustained, with exports declining to USD 7.8 million by the third quarter of 2022.

This persistent trade imbalance highlights Bonaire's status as a net importer, underlining the need for strategies to diversify its export base and reduce its reliance on imported goods. The significant gap between imports and exports also underscores the critical role of tourism revenue in offsetting this economic disparity.

3.2.4 Sea Freight Network

Port Facility

Kralendijk, Bonaire's capital, boasts three piers designed to accommodate various vessels, from break-bulk and container ships to iconic liners such as the Queen Elizabeth 2 and Canberra. As the island's primary port, it is a crucial cargo and cruise operations hub.

Port Infrastructure

The Roll-on/Roll-off (Ro-Ro) Pier is equipped to handle ships up to 330 feet long, with an 18-foot draft and a capacity of 5,000 GRT²³. The Southern Pier, often called the "New Pier", accommodates larger vessels up to 100,000 DWT.²⁴ It is 1,050 feet long and primarily serves cruise and major cargo ships. It also features a Ro-Ro ramp for vessels 300 feet long and a 16-foot draft. The Northern Pier is mainly reserved for cruise ships.



²¹ <https://opendata.cbs.nl/statline/#/CBS/nl/dataset/82659NED/table?ts=1733425944633>

²² Figures up until Q3-2022

²³ GRT: Gross Register Tonnage

²⁴ DWT: Deadweight Tonnage

It supports vessels up to 738 feet LOA²⁵ and 50,000 DWT, strategically positioned near popular attractions like Wilhelmina Park and the Sea Promenade. The maximum load factor per cubic meter is 2,000 kilograms at the Southern and Northern Pier.²⁶

The port of Bonaire operates with a single pier, the South Pier, which handles all cargo and passenger traffic. This pier includes a ramp for roll-on/roll-off operations, though it is relatively narrow and primarily supports unloading via chassis tractors. Roll-on/roll-off capacity typically maxes out at three hours per operation.

The port does not have dedicated terrain or warehouse facilities for container storage. Containers are temporarily stored at Kralendijk's stadium under a tolerance policy. However, urban development, such as the construction of a mall near the pier, is gradually reducing the available storage space. Presently, containers are moved directly to customers or private warehouses rather than being stored at the port, as they ideally should.

Don Andres, a private operator, provides essential cargo-handling equipment and services, including unloading inbound cargo and, in some cases, transporting it directly to warehouses. There is no commercial cargo area, and cargo operations are often deprioritized during cruise ship arrivals, reflecting the port's dual-use nature.

With the selected 'Regio Deal' for Bonaire, investments will be made in an unloading facility for Bonaire, and the container park will be brought closer.

The Executive Council has developed a business plan for the port (2021–2022), and a re-evaluation in 2022 explored potential routes and expansion strategies. However, these plans remain under review and await the next steps. The port continues to rely on existing infrastructure and operational methods, with containers being handled manually without cranes for stacking.

The current system reflects an adaptive approach to managing limited infrastructure, relying heavily on operators like Don Andres to bridge operational gaps.

Port Governance

Bonaire's port operates under a traditional governance model, encompassing both the management of the port infrastructure and the oversight of territorial waters. This centralized structure consolidates authority but can lead to operational inefficiencies, particularly as the Port Master is tasked with an extensive range of responsibilities. These include managing day-to-day port operations, overseeing disaster response and preparedness, and leading the port government department.

Port Handling Capacity

While capable of handling containerized cargo, the port of Kralendijk is currently operating at or near full capacity. Though equipped with basic cargo handling tools, its infrastructure lacks specialized cranes and other advanced equipment, significantly limiting its efficiency in managing higher cargo volumes. The port's location within the city and the absence of dedicated land for expansion or a container depot exacerbate these operational challenges, resulting in periodic congestion that impacts transit times and increases logistics costs.

Although the turnaround time for vessels is generally less than 24 hours, limited infrastructure and equipment, such as cranes and trucks, make seamless operations more challenging. Most containers arriving from Colombia are transshipped via Curaçao. The port of Kralendijk lacks formal collaboration agreements or Memoranda of Understanding (MoUs) with Colombian or other international ports. Only about 10% to 20% of the port's capacity is currently dedicated to international trade between Colombia and the islands of Bonaire, St. Eustatius, and Saba.

Shipping Lines Schedules

Bonaire's shipping logistics involve a variety of cargo vessels servicing routes to and from neighboring islands and countries. Table 6 provides a general overview of shipping lines at the port of Kralendijk in 2024.

²⁵ LOA: Length Overall

²⁶ <https://www.rocargo.com/port-bonaire-kralendijk.php>

Owner	Cargo Vessel Name	Ports Calls	Frequency	Vessel Size Unit	Flag
Don Andres	Dona Luisa I	CUR-BON-T&T	Daily to weekly	58.3 x 13.8	Panama
Don Andres	Hermano Mirlo	CUR-BON-AUA-DR	Weekly	62.48 x 14.02	Panama
	Pera	AUA-CUR-BON-DR	Monthly	87.9 x 12.8	Antigua Barbuda
	ICS Oceanus	BON-CUR-GUY	Weekly	104.55 x 13.6	Bahamas
	ICS Orion	AUA-CUR-BON-JAM	Monthly	110 x 16	Portugal
	Dona Monica I	CUR-BON-(VEN)	Weekly	19 x 15	Venezuela
Nirint	Ijzerborg	AUA-CUR-BON-NED	Bi-weekly	142.95 x 18.9	Netherlands
King Ocean	Hoheplate, AS Fabrizia, JSP Bora, W. Dolphin, Fouma	US-AUA-CUR-BON	Weekly	120+ x 20+	Multiple

Table 6: Shipping Lines Schedule – Port of Kralendijk

The leading operator, Don Andres, runs three vessels —Don Andres I, Dona Luisa I, and Hermano Mirlo— which connect Bonaire to Curaçao, Aruba, Trinidad & Tobago, and the Dominican Republic with a frequency ranging from daily to weekly. These vessels, flagged in Panama, have capacities ranging from 700 to 2,108 DWT and cater to regional cargo needs.

Additional vessels serving Bonaire include the Pera, which primarily transports building materials and makes monthly trips between Aruba, Curaçao, Bonaire, and the Dominican Republic. The ICS Oceanus and ICS Orion, registered in the Bahamas and Portugal, respectively, focus on bulk cargo, including building materials, and make weekly or monthly calls. The Nirint IJzerborg, operating under the Netherlands flag, offers bi-weekly service connecting Bonaire to Aruba, Curaçao, and the Netherlands, with 12,080 DWT and 686 TEU capacity.

Occasional services, like those from Dona Monica I and King Ocean vessels, cover specialized routes, including possible connections to Venezuela and perishables from Miami. These operations highlight Bonaire's reliance on versatile regional shipping to meet its cargo and material needs.

In the absence of a predefined schedule, vessels are required to provide a 24-hour pre-arrival notice before docking at the port.

Logistical Connection with Colombia

Bonaire does not have direct shipping routes with Colombia, relying instead on regional transshipment hubs to sustain its logistics operations. Most goods destined for Bonaire, whether from Colombia, the United States, Europe, or China, are first routed through Curaçao or Aruba, with Curaçao serving as the principal transshipment hub. Typically, goods from these origins travel via Jamaica to Aruba or Curaçao before arriving in Bonaire. Despite Bonaire's relatively low cargo volume, this multi-step logistics chain remains viable due to established links with regional and international hubs. Below is an overview of the logistical connection between Colombia and Bonaire.

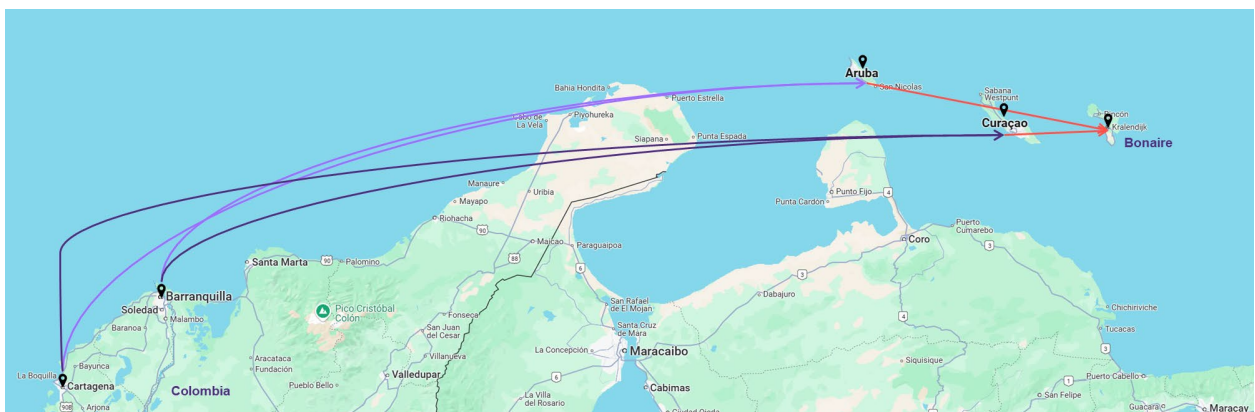


Figure 12: Logistical connection between Colombia and Bonaire

Transshipment Hubs of Curaçao and Aruba

Curaçao is the primary transshipment hub for goods destined for Bonaire, with Aruba as the second hub. They leverage their well-equipped infrastructure, including container cranes and extensive storage facilities, to handle containerized and bulk cargo. Goods originating from Colombia are frequently routed through Curaçao, undergoing customs processing that adds handling fees and time to the overall logistics chain.

The transshipment to Bonaire entails two types of services: consolidation, where smaller shipments are combined for efficiency, and direct transshipment without consolidation (FCL), which avoids additional handling costs. Some Colombian goods are transported by air from Bogotá to Curaçao and consolidated for sea transport to Bonaire.

Port Congestion in Aruba and Curaçao

Reliance on Curaçao and Aruba introduces several challenges. Indirect shipping routes from Colombia to Bonaire via Curaçao or Aruba are costly and time-consuming. These routes are often subject to unpredictable last-minute changes and cancellations, particularly affecting services from the Colombian Caribbean coast to Aruba and Curaçao. Weekly feeder services from Cartagena and Barranquilla to Aruba and Curaçao lack reliability. Cancellations occur frequently due to severe congestion at regional ports, exacerbated by the rapid growth of trade, especially imports from Asia to the Caribbean.

Port congestion in Curaçao and Aruba disrupts shipping schedules, with delays leading captains to skip subsequent stops, including Aruba and Curaçao, to maintain overall route integrity. This cascading effect impacts Bonaire's businesses, particularly those reliant on high-frequency imports like perishables and construction materials. Furthermore, transshipments through Curaçao and Aruba often involve a second round of customs inspections, adding to extra costs and delays.

The reliance on Curaçao and Aruba as regional hubs also incurs significant costs, including handling fees, storage charges, and customs expenses, which are ultimately passed on to consumers and businesses in Bonaire. The strain on Curaçao's ports highlights the need for enhanced capacity and more efficient regulatory frameworks to mitigate delays and improve reliability in the regional shipping network.

Moreover, transshipment means additional transport (handling) time is incurred, while delays are frequent. Customs clear cargo from Curaçao to Bonaire in 3 days, but it may take extra days before the logistics service picks up the container.

Don Andres is virtually the only shipping line operator for sea freight between Curaçao and Bonaire, often providing the handling (container pick-up) on Curaçao too. In turn, they depend on agents' feeder instructions, which can introduce further delays.

Customs Clearance Times

While cargo traveling from Curaçao to Bonaire is cleared in approximately three days, shipments from Bonaire to Curaçao face longer processing times, often taking up to three weeks. This discrepancy is due to the extensive documentation checks required for all clients. The transportation route between Curaçao and Bonaire is considered domestic, with agents typically booking shipments to Curaçao. From there, a feeder service must be arranged to Bonaire, and the ship must return within 8 days.

However, a key issue arises as the logistics service provider, acting as the cargo recipient, is held responsible for delays in the delivery. This responsibility includes fines for any delays in cargo arrival. Despite this, the logistics service provider has no control over the service provided by the logistics provider responsible for handling and transporting freight to Bonaire, creating a challenge for the logistics service provider in managing these delays.

Port Authority Model Curaçao and Aruba

Curaçao's port operates under a single concession model. This grants exclusive rights to a single operator, in this case, Curaçao Port Services Inc., to manage port facilities and encompass logistics and transshipment handling services. This ensures solid oversight and uniformity in operational standards across the port but also creates challenges.

The Curaçao port model may lead to higher user costs, in this case, transshipment prices, and reduce incentives for innovation and efficiency. The port is oriented towards international large cargo trade, sometimes leading to the de-prioritization of smaller feeder vessels such as those serving Bonaire.

This governance model reflects the strategic importance of Curaçao as a regional maritime hub. At the same time, its operational experience with smaller but fast-growing freight destinations such as Bonaire indicates a challenge of balancing economic efficiency with robust service delivery in an increasingly complex logistics environment.

Aruba's port operates under a multi-concession model, facilitated by ASTEC N.V.. This model allows multiple operators to manage different aspects of the port's infrastructure and services. This decentralized structure invites business competition, promoting innovation and (price) efficiency.

Players in the Sea Freight Network

Bonaire's sea freight network is characterized by a small number of key players who manage the island's logistics and shipping needs. These entities are crucial to maintaining the flow of goods, given Bonaire's reliance on imported products for its economic and daily operations. This section focuses on the primary logistics service providers who play integral roles in facilitating maritime transportation, cargo handling, and supply chain continuity. Their contributions ensure the availability of goods on the island and shape the efficiency and reliability of Bonaire's connections to regional and international markets.

- Don Andres N.V.

Don Andres N.V. is a family-owned enterprise with over thirty years of expertise in the shipping industry. It primarily operates across Aruba, Bonaire, Curaçao, and the Dominican Republic. Headquartered in Bonaire, the company plays a critical role in maintaining the island's logistics chain. Nearly all goods consumed, utilized, or constructed in Bonaire are shipped by freight forwarding agents, with Don Andres serving as a key provider.

Don Andres offers a comprehensive range of logistics and maritime services, including shipping (refrigerated and dry containers), chartering and onshore transportation using side loaders, offshore vessel support, bunkering services, container services, including loading and unloading, import/export documentation handling, and transport of various cargo types, including vehicles, construction materials, and live animals.²⁷

Additionally, the company manages stevedoring services in Bonaire, using proprietary chassis equipment to offload and transport cargo directly to warehouses, ensuring seamless operations and minimal reliance on external parties.

The company provides logistics solutions for supermarkets, retail stores, restaurants, dive shops, construction companies, and auto dealerships on Bonaire. Its vessels operate routes across the ABC islands and the Dominican Republic. Don Andres also assists individual clients by arranging import duty documentation and offering delivery services. Their primary mission is to ensure a steady supply of goods to Bonaire while fostering inter-island connections.

Don Andres operates as a natural monopoly for shipping goods between Curaçao and Bonaire. The Curaçao-Bonaire leg is classified as domestic transport. Agents book shipments to Curaçao, and feeder services must then be arranged for Bonaire. This system ensures that vessels return within an eight-day cycle.

The company maintains a history of collaboration with Cartagena, though Barranquilla presents a cost-effective alternative. Don Andres welcomes all business opportunities to transport goods between Colombia and the islands.

With a commitment to reliability and service excellence, Don Andres remains an integral part of Bonaire's logistics network. It ensures the island's residents and businesses can access essential goods while strengthening regional maritime links.

²⁷ <https://www.donandresnv.com/>

- **Rocargo Services Bonaire**

Rocargo Services Bonaire, founded on September 17th, 1982, provides comprehensive logistics and maritime services tailored to individuals and businesses. Specializing in ship and liner agencies, cargo handling, freight consolidation, customs brokerage, and moving services, Rocargo has built a reputation for offering high-quality, personalized solutions. The company moved to its new headquarters in 1995, which is strategically located in Kralendijk, close to the customs office and essential services such as banking and general facilities.²⁸

Rocargo's mission is to deliver reliable, efficient, and comprehensive support to clients engaged in maritime activities, ranging from ship owners and charterers to cargo receivers and manning agents across Bonaire and beyond. The company provides secure warehousing, fast and reliable import/export documentation, customs declarations, and complete relocation services. Additionally, Rocargo handles project logistics and ensures efficient port calls for vessels, always prioritizing their clients' needs.

As a freight forwarder, Rocargo facilitates sea freight and provides services like 'second handling' (afhandeling), bill of lading paperwork, and customs clearance. Their FCL (Full Container Load) shipping services cater to single recipients per container, ensuring streamlined logistics and timely delivery.

- **Cavalier Logistics Bonaire B.V. – PPS-e**

Cavalier Logistics offers comprehensive air and sea freight services to and from the Dutch Caribbean and moving, warehousing, storage, and pick-up and delivery solutions. Their subsidiary, PPS-e, focuses on parcel shipping to the Dutch Caribbean, leveraging Cavalier's extensive network and facilities. Established in 2015, PPS-e has become the most significant player in the private parcel shipping sector within the region. Cavalier Logistics, with a long history dating back to 1990, has specialized in private parcel handling and continues to lead in the import and export of parcels by both air and sea.²⁹

The company's mission revolves around dedication to service, emphasizing that no shipment is too large or small. With a strong international network and an integrated logistics chain in key markets, Cavalier provides flexible services with fast delivery times and competitive pricing. The company's ultimate goal is customer satisfaction, ensuring efficient and reliable solutions for all logistics needs.

Below is an overview of its air and sea consolidation services:

Air Freight			Ocean Freight		
Type of service	Location airport	Frequency	Type of service	Location airport	Frequency
Export to:	Netherlands, Aruba, Bonaire, St. Maarten and Surinam	Weekly	Export from ABC to:	Netherlands, St. Maarten and Surinam	Monthly
Import from:	Netherlands	Twice a week	Import from:	Netherlands and Miami	Once a week
Import from:	Miami, Aruba, Bonaire, Curaçao and St. Maarten	Weekly	Inter-island export and import	Curaçao and Bonaire	Weekly
				Between Curaçao and Aruba	Bi-weekly
				Between Aruba and Bonaire	Via Curaçao

Table 7: Overview of Cavalier's-PPS-e's air – and sea freight consolidation services

²⁸ <https://www.rocargo.com/>

²⁹ <https://www.pps-e.com/about-us/>

The total throughput time of the air consolidation services is less than one week. Air freight fees are determined by volume weight (L*W*H).

Total sailing time is:

- From the Netherlands to ABC: approx. 2,5 weeks
- From ABC to the Netherlands: approx. 4 weeks
- From Miami to ABC: approx. 1 week
- From ABC to Surinam: approx. 6 weeks
- From ABC to St. Maarten: approx. 6 weeks
- Interisland (to/from ABC): approx. 1 day

Ocean fees are determined per box or cube (m³ or cubic feet).

- **Fast Delivery Services**

Fast Delivery Services N.V. is an established logistics company based in Aruba, with additional offices in Curaçao and Bonaire. Founded in 2003 initially as a courier service, the company has since grown into one of the largest logistics providers in the region. Their services encompass a wide range of logistics solutions, including air and ocean freight forwarding, courier services, moving services, storage, P.O. box rentals, dry ice services, and cargo handling. Fast Delivery is recognized for its ability to manage complex logistics projects tailored to meet the specific needs of individual clients.³⁰

The company operates with affiliations to major global logistics companies, enabling them to offer comprehensive logistics solutions that address evolving customer needs. They specialize in air freight, offering custom-tailored logistics for various cargo types, including perishables, hazardous goods, and large-scale shipments. Their sea freight services cover international routes, focusing on LCL (Less-than-Container Load) and FCL (Full-Container Load) shipments, supported by their established relationships with US, Netherlands, and China consolidators.

Fast Delivery's Interisland Express service offers expedited mail and small packages between Aruba, Bonaire, and Curaçao, further enhancing their regional logistics capacity. They are also the official UPS authorized contractor for the Dutch Caribbean, providing access to UPS's extensive global network. Additionally, Fast Delivery Services holds an Airport Operation Certification (AOC) for Aruba's airport, enabling them to provide air cargo services and expand their reach. While the company relies on partnerships with other logistics providers like Don Andres for maritime shipping in Bonaire, it is actively looking to expand its services further, including the potential addition of routes to St. Maarten.

Their mission is to provide high-quality, customer-focused logistics solutions that meet the specific needs of businesses and individuals across the region.

Transit Time and Process

Goods shipped by sea freight from Colombia to Bonaire typically arrive in 6 to 8 weeks. This extended timeline is attributed to the lengthy logistical processes in Colombia and the rigorous control measures for goods entering Bonaire. The handling and clearance of shipments are further complicated by the need to consolidate cargo for multiple recipients in Bonaire.

Full Container Load (FCL) shipments from Colombia to Bonaire occur approximately every 6 to 8 weeks. These shipments generally require minimal handling, with cargo often prearranged directly by importers who have established contacts with factories or suppliers in Colombia.

For vessels without a fixed schedule, a 24-hour pre-arrival notice is required to ensure efficient coordination and preparation for receiving cargo at Bonaire's port. This notification system helps to manage the flow of goods despite the logistical challenges associated with infrequent and indirect shipping routes.

³⁰ <https://www.fastdeliverydc.com/>

3.2.5 Air Freight Network

Air Cargo Routing and Capacity

Bonaire receives air cargo through two primary routes: directly from international airports or via transshipment through Curaçao International Airport, which is consolidated there and then shipped by sea to Bonaire. This multi-modal logistics chain highlights the reliance on Curaçao as a central hub for both sea and air cargo transport.

The island's air cargo capacity is modest, with a range of shipments arriving from carriers like KLM, TUI (Netherlands-based), Z Air and Divi (inter-island ABC services), and FedEx. Z Air Cargo, for example, operates out of Curaçao and handles documents and various items. Shipments must be delivered to their cargo office at Curaçao International Airport.

Commercial airlines do not prioritize air cargo as their primary focus, so they typically offer this service only when space is available on their flights. Cargo is often considered secondary to passenger services, and airlines prioritize passenger transportation over freight. As a result, air cargo services are provided based on the remaining capacity of the aircraft, which can vary depending on the specific flight and airline policies.

Customs and Handling

Bonaire lacks a designated Customs Area at its airport, Bonaire International Airport. Airfreight services are widely utilized, with goods often routed through Curaçao due to logistical constraints, such as size and weight restrictions. Shipments heavier than 23 kilograms or larger than 1x1 meters are redirected to Curaçao for onward sea freight transport to Bonaire. Freight handlers like Rocargo and Cavelier manage these operations, often relying on agents such as Don Andres for the final leg of delivery.

Air cargo vessels typically require a 12-hour pre-arrival notice for shipments without a fixed schedule. The average delivery timeframe for goods is more than 7 days.

Direct and Indirect Flights

While some direct flights bring cargo to Bonaire, much of it is transshipped through Curaçao. For example, FedEx delivers cargo every Tuesday, while other carriers such as AirCarib and Avianca provide services between Colombia and Curaçao, with AirCarib offering more cost-effective options. Rocargo utilizes Aerocargo to ship items from Bogotá to Curaçao, where they are consolidated for onward transport to Bonaire.

Winair previously provided cargo shipment services between the islands of Curaçao, Aruba, and St. Maarten and the islands of Bonaire, St. Eustatius, and Saba, but this operation has ceased.

Rental of Cargo Airplanes

Cargo airlines in Bonaire do not own air cargo planes, so they must lease aircraft from larger cargo carriers. This is particularly challenging as Bonaire does not export goods to Colombia, leading to empty return flights for cargo planes. While goods are imported from Colombia, there is no reciprocal export, increasing logistics providers' costs. To cover these expenses, they must charge higher rates per kilogram for airfreight shipments.

To operate in air cargo, a company must obtain an Airport Operations Certificate (AOC), which grants the ability to fly for third parties. Rental rates for cargo planes can be as high as USD 1,500 per hour, regardless of whether the plane is carrying cargo. Typically, these planes can accommodate up to 1,000 kilograms of cargo per flight.

Airport Authority Model

Curaçao and Bonaire operate under a centralized model for their airport concession. This system grants exclusive rights to a single operator—Swissport—for managing airport concession facilities, including handling, air cargo logistics, and transshipment services. While this centralized framework ensures standardized operations and a unified management approach across both islands, it also introduces significant challenges. The lack of competition leads to higher transshipment costs and limits flexibility,

posing user challenges. While emphasizing Curaçao's strategic role as a regional logistics hub, this model highlights the delicate balance between operational uniformity and economic efficiency in an increasingly complex logistics landscape.

Conversely, Aruba employs a multi-concession model for its airport operations. This decentralized structure allows multiple operators to manage different aspects of air cargo infrastructure and services. By fostering competition, Aruba's model encourages innovation, efficiency, and competitive pricing, creating a more dynamic environment for logistics services. This approach reflects a strategic choice to balance economic objectives with flexibility and service quality, positioning Aruba to effectively meet the demands of modern air cargo logistics.

3.2.6 Customs

Bonaire's port does not have a designated customs area typically used to store goods awaiting clearance. This shortcoming creates inefficiencies in the handling and processing of cargo. While containers can be offloaded in 5–10 minutes, the lack of warehouse infrastructure and the temporary storage of containers in an area governed by the tolerance policy highlights the need for better facilities. As the space in this storage area becomes more limited, particularly with the recent mall construction at the pier, containers must be moved quickly, often directly to customers or warehouses.

Customs clearance is handled through the Asycuda system, a widely used automated system in the Caribbean, including Aruba and Curaçao. Asycuda streamlines processing inbound, outbound, and transit shipments, allowing for efficiency despite the logistical challenges. However, the system must accommodate additional checks for goods originating from Colombia, which is categorized as a high-risk country due to its drug-related activities. While these checks are mandatory, they do not significantly delay the overall process. Customs aim to complete clearance within four hours. When a vessel arrives, the bill of lading is presented, followed by the clearance of containers designated for inspection and those ready for release.

Despite these efforts, the absence of a formal customs area at the port and the reliance on temporary storage continue to create logistical hurdles.

3.2.7 Cost Structure

The cost structure for shipping goods to and from Bonaire via sea or air is complex and influenced by various factors, including handling fees, port costs, and a logistics market environment with low competitiveness for key services like stevedoring and shipping.

- **Ocean Freight Fees:** Ocean freight is typically priced by the amount of box or volume (cubic meters or cubic feet). Handling tariffs, however, can be high, as Don Andres, the leading logistics provider, owns all the equipment and infrastructure necessary for container offloading. These fees are not regulated and include charges for handling and emptying containers. A typical container cost is between USD 5,000 and USD 6,000, with Don Andres' fee for handling ranging from USD 500 to USD 1,200.
- **Air Freight Fees:** Air freight costs are calculated based on volume weight (L×W×H). Chartering an airplane for cargo transport can cost around USD 22,000 for a plane with 14,000 kilos. The cost per kilogram is approximately USD 1.57 for a one-way trip, but due to the need to cover the return flight, the price per kilo can double, reaching around USD 3 per kilogram. To recover costs and remain profitable, logistics providers often charge higher rates for air freight.
- **Customs and Port Fees:** At Bonaire's port, 8% ABB (import tax) is charged on all imported goods. Handling and port fees are significant, with customs clearance and port charges adding up quickly. For instance, the customs processing fee is around USD 30 per declaration, and warehouse costs in Curaçao can be up to USD 1,500. On average, port costs in Bonaire range from USD 600 to USD 700 per container. For transshipment between islands, handling fees and terminal charges can add another USD 300 to USD 400 per container. Logistics service providers have indicated that 10-20% of their total logistics costs come from customs duties and fees and that handling costs significantly impact their business.
- **Market Environment:** The logistics market in Bonaire is dominated by Don Andres, which owns the chassis used to offload containers and has exclusive access to the port. This natural

monopoly limits competition and may contribute to higher pricing. Additionally, the Swissport concession at the airports of Curaçao and Bonaire raises transshipment prices, further limiting opportunities for competitive pricing.

- **Air Cargo Rental and Transshipment Costs:** When goods are transported by air from Colombia, the costs include hourly fees of approximately USD 1,500 for aircraft rental. The logistics providers also face landing and take-off fees, warehouse charges (USD 0.40 per kilo), and customs fees, which compound the overall cost structure. The logistics network also requires air navigation, transshipment, and freight-forwarding fees.

These combined expenses and the high costs of chartering aircraft and handling fees make logistics operations in Bonaire quite expensive, particularly when factoring in the empty return flights from Colombia. As a result, the prices charged to customers often reflect these high operational costs.

3.2.8 Experience of the import/export businesses

The import/export businesses operating between Colombia and the islands of Bonaire, St. Eustatius, and Saba experience a labyrinth of challenges, often starting with the import process. In Colombia, navigating customs is like running an obstacle course filled with middlemen, arbitrary regulations, and exhaustive paperwork. DIAN demands precise details about the origins of shipments, which is creating significant delays. To avoid the risks tied to Less-than-Container Load (LCL) shipments—such as fraud or drug contamination—businesses prefer Full Container Load (FCL), which allows for greater control but limits flexibility. Importing bulk from authorized sellers has emerged as the most reliable option, albeit with restrictions.

Colombian logistics agents exacerbate the situation by favoring immediate shipping rather than consolidating enough cargo for efficient LCL shipments. Many opt to route shipments through Panama, further complicating the logistics for the island's importers. This reliance on intermediaries and inconsistent cargo handling methods has left businesses grappling with inefficiency.

The cost of logistics looms large over these operations. Customs duties and handling fees account for 10-20% of total logistics expenses, with handling costs having the most significant impact.

More than 20% of the total product cost can be attributed to logistics expenses, including shipping and warehousing. Businesses are burdened by these costs, amplified by air and sea freight delays. Goods shipped by air frequently take over seven days to arrive, and delivery delays have become a consistent frustration.

Collaboration with interisland (ABC)port authorities and customs officials is another obstacle for these businesses. Poor communication and inefficiencies further exacerbate delays, leading to overwhelming frustration among stakeholders. The lack of direct flights between Colombia and the islands of Bonaire, St. Eustatius, and Saba adds another layer of difficulty, forcing businesses to endure transshipments that only escalate costs and extend timelines.

For many import/export businesses, the combination of exorbitant logistics costs, convoluted customs procedures, and repeated shipping delays paints a bleak picture. Moving goods between Colombia and the islands of Bonaire, St. Eustatius, and Saba remains costly and time-consuming without direct flights or streamlined processes, leaving businesses longing for a more efficient and collaborative system.

3.2.9 Demand for goods

Bonaire's cargo volume remains low, though it is manageable through existing shipping links and transshipment hubs. Consolidating goods in Colombia for export to Bonaire presents complications due to stringent regulations. Each exporter must possess a license, and any contamination of goods, such as drugs, in a consolidated shipment could lead to fines and the revocation of permits for all involved exporters. This creates a lack of trust in consolidation practices, with bulk shipping only permitted through licensed exporters. The small size of Bonaire limits the feasibility of importing Less-than-Container Load (LCL) shipments from Colombia, as the volume from this source is insufficient to support regular LCL inflows.

Additionally, shipping small volumes via LCL to Bonaire requires a special permit, and such shipments are not standard due to Colombia's lack of a business infrastructure or network to facilitate this service.

LCL cargo is typically only viable when shipping collectively to the ABC islands. As a result, the limited shipping volume makes it challenging to establish a stable and cost-effective flow of goods directly to Bonaire.

3.3 St. Eustatius

St. Eustatius, often referred to as Statia, is a special municipality of the Netherlands with a governance structure that supports trade and energy logistics. The island's institutional framework is overseen by the Public Entity St. Eustatius, which handles local governance. Customs operations align with Dutch and EU regulations, such as the Customs CN, ensuring streamlined trade compliance.



The island's strategic importance in logistics is amplified by its oil storage terminal.³¹, which plays a pivotal role in energy distribution. Governance on the island is managed through a democratically elected Island Council, supported by an Executive Council that includes a Governor and typically two Commissioners.³² This structure enables effective decision-making and facilitates the island's regional and international trade contributions.

3.3.1 General Economic Conditions

The GDP data for 2012–2022 reflect significant volatility, indicating the region's economic challenges and recovery efforts during this time.

Year	GDP, value at current prices (million USD)	GDP, value at prices of 2017 (million USD)	GDP, value changes (%)	GDP, volume changes (%)
2012	133	139	-	-
2013	137	140	3.1	0.8
2014	131	130	-4.4	-6.8
2015	134	315	2.1	3.2
2016	131	133	-2.1	-1.0
2017	142	142	8.6	6.6
2018	128	125	-9.8	-11.8
2019	120	115	-6.0	-8.6
2020	89	85	-26.4	-25.9
2021	107	103	20.4	21.1
2022	89	92	-16.4	-11.0

Table 8: St. Eustatius' GDP 2012-2022³³

The economy faced sharp declines, particularly in 2018 and 2020. GDP dropped to USD 89 million in current prices by 2020, with volume changes plunging by -25.9 %, mainly due to the global impact of the COVID-19 pandemic.

A robust recovery was observed as GDP grew to USD 107 million in current prices and USD 103 million in constant prices, marking a 20.4% value increase and 21.1% volume growth. This rebound reflected improved global conditions and recovery in key sectors.

GDP contracted again to USD 89 million in current prices and USD 92 million in constant prices, with value changes at -16.4 % and volume at -11.0 %, signaling persistent economic vulnerabilities.

³¹ <https://www.statiagovernment.com/key-topics/economy-nature-and-infrastructure>

³² <https://www.statiagovernment.com/governance>

³³ <https://www.cbs.nl/en-gb/figures/detail/84789ENG>

The data underscores the economy's sensitivity to external shocks and the need for strategic interventions to stabilize and sustain growth.

3.3.2 Macroeconomics Statistics

Thanks to its extensive oil transshipment and storage facilities, St. Eustatius's economy is uniquely influenced by its role in the regional energy trade. While the logistics chain predominantly revolves around energy, the island also relies on imports for food, consumer goods, and infrastructure materials.³⁴ Below is an overview of the import- and export value of St. Eustatius during 2012-2022³⁵:

Year	Import Value in 1.000 USD	Export Value in 1.000 USD
2012	33.128	-
2013	40.940	5.775
2014	35.070	1.083
2015	40.756	1.064
2016	36.455	1.560
2017	54.777	2.461
2018	50.754	3.907
2019	45.307	1.269
2020	40.600	1.433
2021	38.619	1.036
2022 ³⁶	29.464	327

Table 9: Import- and Export Value of St. Eustatius during 2012-2022

The import and export data for St. Eustatius from 2012 to 2022 highlights the island's firm reliance on imports, which support its economy and ensure access to essential goods and services. While export values remain modest, they reflect opportunities for future growth and the potential for local industries to develop and expand.

Import values fluctuated significantly over the decade, peaking at USD 54.8 million in 2017. However, a gradual decline has been evident since 2018, with import values falling to USD 29.5 million by 2022. This decline reflects reduced economic activity and demand, likely influenced by external factors such as global financial conditions and local economic adjustments.

Exports remained minimal throughout the period, reaching a high of USD 5.8 million in 2013 but consistently declining thereafter. By the third quarter of 2022, export values dropped to a mere USD 327,000, underscoring the island's limited production and reliance on imports for economic sustenance.

This persistent trade deficit highlights the island's dependence on imported goods and the challenges of developing a robust export base.

³⁴ <https://www.cbs.nl/en-qb/news/2024/39/bonaire-and-saba-s-economies-grew-in-2022-st-eustatius-economy-shrank>

³⁵ <https://opendata.cbs.nl/statline/#/CBS/en/dataset/82658ENG/table?ts=1733753735800>

³⁶ Figures up until Q3-2022

3.3.3 Sea Freight Network

Port Facility



The port of St. Eustatius, situated at Gallowsbay³⁷, plays a crucial role in the island's economy and logistics. As a General Cargo Port Facility, it caters primarily to feeder vessels and general cargo rather than specialized container handling. Its limited storage and handling capacity and the island's geographical constraints restrict the volume and frequency of goods that can be delivered. Despite these limitations, the port is one of the island's economic lifelines.

The port is vital for the local population. It supports a steady flow of cargo ships, tankers, and other vessels and offers mooring facilities for visiting pleasure crafts during normal operations. The port accommodates a range of essential functions, including offices for immigration, customs, and the Port Master. The staff manages the loading and unloading containers and supplies and pilot ships that assist in maneuvering tankers and large vessels, particularly those associated with the island's oil terminal. Additionally, a dedicated security unit ensures compliance with regulations for all arrivals.

St. Eustatius's port also provides logistical support to its neighboring island, Saba, particularly during emergencies such as post-hurricane recovery efforts. This facility remains a cornerstone of St. Eustatius's infrastructure, meeting local and regional needs.

Port Infrastructure

The port offers three berths: a Finger Jetty (berthing on both sides), an SPM (Single-Point Mooring), and a Monopile. As an open-water port, it operates at Security Level 1 and has no draft restrictions, with a jetty of 80 feet and an SPM of 250 feet.

St. Eustatius's port infrastructure is underdeveloped compared to its regional counterparts. The small port lacks specialized equipment like cranes and has minimal storage capacity. This restricts its ability to handle large shipments and requires dependence on St. Maarten for most logistics.

The port infrastructure at St. Eustatius combines facilities for both cruise and cargo operations, but it faces several significant limitations. The port lacks dedicated areas for stacking containers, restricting its capacity to handle and organize larger cargo volumes. Additionally, no finger piers or specialized cranes are available, meaning cargo handling depends on the vessel's equipment. While the port has a basic storage area, its lack of advanced equipment hinders operational efficiency.

Cargo brought ashore must be immediately loaded or offloaded manually or using the vessel's resources, a process that limits throughput and creates challenges for scaling operations to meet higher demands. These infrastructural constraints underscore the need for investment to modernize the port and enhance its capacity to support the island's economic activities.

Recognizing the limitations of its maritime infrastructure, St. Eustatius has initiated an expansion and renovation project in collaboration with Rijkswaterstaat (RWS) of the Dutch Ministry of Infrastructure and Water Management. The phased project aims to enhance safety, increase berthing capacity, and improve facilities to withstand hurricane conditions. Key developments include hardening the container yard, constructing finger piers for small vessels, extending the breakwater, and dredging to widen the quay. These upgrades are expected to bolster the island's trade capacity and reduce dependency on regional hubs over time.³⁸

Port Handling Capacity

The port at St. Eustatius operates below its full potential, constrained by logistical and operational limitations. Its current handling is mainly done by two shipping operators, St. Eustatius Port Services and Blues & Blues. These operators do most of their handling processes, from stevedoring to cargo

³⁷ <https://www.statiagovernment.com/key-topics/port>

³⁸ <https://www.statiagovernment.com/key-topics/port/news/2022/10/04/safer-harbour-for-statia-on-its-way--seaport-to-be-expanded-and-renovated>

transfer to a storage area, reflecting the port's dependency on external resources. St. Eustatius port authority merely handles on-loading services for several other shipping operators.

St. Eustatius's cold food imports are predominantly managed by Blues & Blues, a company operating under what is perceived as a logistical "monopoly" on the island. With only one vessel dedicated to transporting cold goods to the island, Muttys Pride independently oversees much of the cold goods supply chain.

Vessels currently visit the port weekly, ensuring a consistent but limited flow of goods. The port lacks formal partnerships or Memoranda of Understanding (MoUs) with Colombia or other international ports, which would help to expand trade networks and diversify its logistics reach. These constraints emphasize the need for strategic collaborations and infrastructural improvements to enhance the port's efficiency and capacity.

Shipping Lines Schedule

St. Eustatius shipping logistics involve a variety of cargo vessels servicing routes to and from neighbouring islands. The table below indicates the current shipping lines' schedule at the port of St. Eustatius.

Owner	Cargo Vessel Name	Ports Calls ³⁹	Frequency	Vessel Size Unit	Flag ⁴⁰
St. Eustatius Port Services	Tropic Opal	MIA-STH-EUX	Weekly	81.6 x 18.28	St. Vincent Grenadines
Star Shipping⁴¹	Midnight Tide	USA-SXM-EUX	Weekly	48.77 x 11.6	Vanuatu
Star Shipping	Midnight Rain	USA-SXM-EUX	Weekly	64.31 x 14.02	Vanuatu
Blues & Blues, LTD⁴²	Muttys Pride	SXM-SAB-EUX	Weekly	54.86 x 11.58	St. Kitts Nevis
Seven Castle Shipping⁴³	Orion	SXM-SAB-KNA-EUX-BLM-SXM	Weekly	63.89 x 13.59	Togo

Table 10: Shipping Lines Schedule – Port of St. Eustatius

Logistical Connection with Colombia

Like many small islands in the Caribbean, St. Eustatius relies heavily on transshipment and feeder services for its logistics and trade. St. Maarten plays a pivotal role as the primary logistics hub for St. Eustatius. Most goods destined for this island transit through St. Maarten, the closest and central node for consolidation and redistribution. This reliance underscores the absence of direct shipping routes to St. Eustatius.

Currently, Colombian products must travel a circuitous route – first to Miami, then to St. Maarten, before finally reaching St. Eustatius. While routes to Miami are abundant and generally reliable, this dependency adds considerable cost and time to the logistics chain. The trade volume from Colombia to St. Eustatius is insufficient to justify direct shipping services. Consolidating shipments with goods from other destinations like Florida is necessary before they can be routed to smaller islands. Below is an overview of the logistical connection between Colombia and St. Eustatius.

³⁹ STH: St. Thomas, KNA: St. Kitts and Nevis, and BLM: St. Barths.

⁴⁰ <https://www.marinetraffic.com/en/ais/home/centerx:-12.0/centery:25.0/zoom:4>

⁴¹ <https://www.balticshipping.com/vessel/imo/8119974>

⁴² <https://www.sabaferry.com/muttys-pride>

⁴³ <https://www.sevencastleshshipping.info/our-ship-orion/>

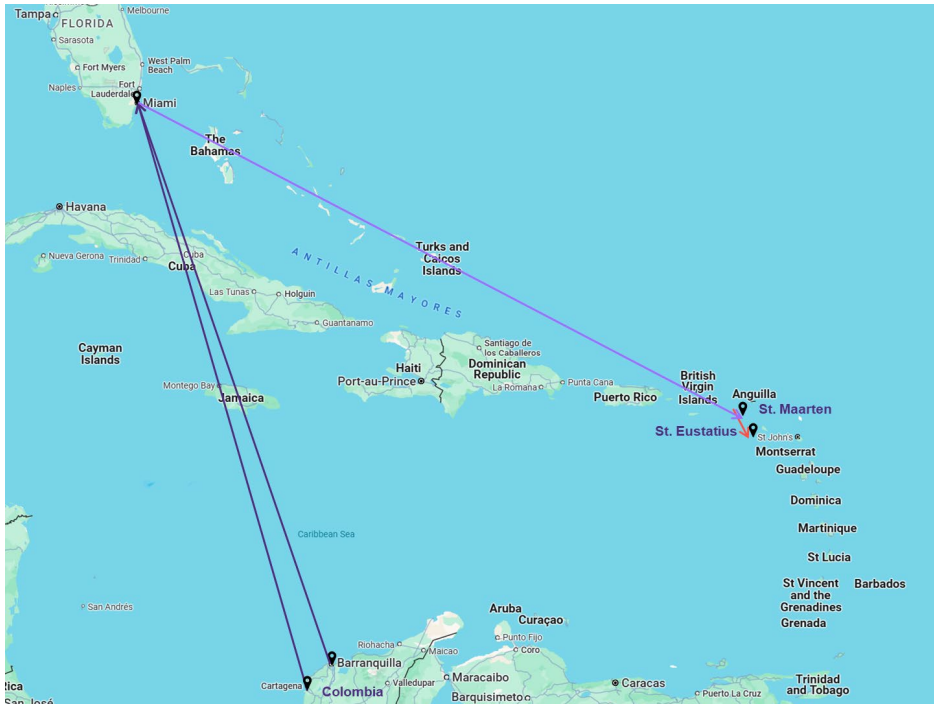


Figure 13: Logistical Connection between Colombia and St. Eustatius

Transshipment Hubs

St. Maarten's port infrastructure is well-developed, with features such as container cranes, a large container storage yard, and facilities capable of handling approximately 75,000 TEUs annually. The port serves as a hub for smaller islands, including St. Eustatius, and supports regional trade with islands like St. Kitts, Montserrat, and Antigua. However, during peak seasons, capacity constraints at St. Maarten's port can lead to delays, which cascade through the supply chain, increasing logistical costs for goods destined for St. Eustatius.

Apart from St. Maarten, St. Kitts functions as a secondary hub for St. Eustatius, providing essential logistical support.

Players in the Sea Freight Network

St. Eustatius's sea freight is defined by a small yet pivotal group of logistics providers who oversee the island's shipping and supply chain operations. These entities play an essential role in ensuring a steady flow of goods, which is crucial for an economy that relies heavily on imports. Their operations encompass maritime transportation, cargo handling, and maintaining the logistics chain's continuity. By facilitating these processes, they secure the availability of goods on the island and contribute significantly to St. Eustatius' connectivity with regional and international markets.

- **Makana Ferry Service**

The island also benefits from the Makana ferry service, operated by the Anguillan company Blues and Blues Ltd. This service facilitates affordable and regular maritime connectivity between St. Eustatius, Saba, St. Maarten, and St. Kitts, enabling daily commercial and personal travel.^{44 45} The ferry will provide same-day connectivity from Saba and St. Eustatius to St. Maarten, between Saba and St. Eustatius, and between St. Eustatius and St. Kitts.

- **St. Eustatius Port Services (SEPS)⁴⁶**

St. Eustatius Port Services N.V. (hereafter: SEPS) is the island's first and most established shipping agency. It was founded over 35 years ago by a visionary entrepreneurial couple. Its mission was to deliver top-tier service in the maritime industry. While initially focused on oil tanker and yacht operations,

⁴⁴ <https://www.statiagovernment.com/key-topics/port/news/2021/07/02/tender-for-affordable-maritime-connectivity-saba--st.-eustatius>
⁴⁵ <https://www.statiagovernment.com/key-topics/port/news/2021/11/29/inaugural-makana-ferry-service-marks-historic-moment>
⁴⁶ <https://www.seps-shipping.com/services>

SEPS has expanded its offerings to include labor brokerage, work permit facilitation, and cargo agency services.

SEPS is pivotal in managing oil tanker and tug operations at GTI St. Eustatius Terminals, formerly NuStar Terminals. They handle discharges, loading, and bunkering with complete adherence to local regulations. They also specialize in crew changes, package handling, and ship chandlery services, ensuring smooth port operations for all visiting vessels.

As the designated agent for all cargo arriving at St. Eustatius' port, SEPS ensures compliance with Dutch and local regulations. For over two decades, they have represented shipping giants Tropical and CaribTrans, bridging international logistics with the island's needs.

- [CaribTrans^{47 48}](#)

CaribTrans has been a cornerstone of Caribbean freight services for over 35 years, offering seamless logistics solutions tailored to its clients' needs. Specializing in ocean freight, air freight, and overland transport, CaribTrans ensures timely and reliable deliveries, regardless of cargo type or size. The company emphasizes customer satisfaction, providing value-added services to meet diverse shipping requirements.

CaribTrans operates state-of-the-art vessels to transport cargo efficiently across the Caribbean. Their comprehensive shipping schedules include weekly departures from Miami to Saba, St. Eustatius, and St. Maarten. The transit time for these routes is typically five days.

Below is an overview of their Miami and Puerto Rico schedules for sea freight to St. Eustatius.

Origin	Departure Day	Arrival	Transit Period
Miami	Wednesday	Sunday	5
Puerto Rico	Friday	Wednesday	5

[Table 11: CaribTrans Shipping Schedules to St. Eustatius](#)

- [Blue Ocean Transport⁴⁹](#)

Blue Ocean Transport is a leading ocean logistics company specializing in shipping between the U.S. mainland and Caribbean destinations, including Aruba, Curaçao, St. Eustatius, and St. Maarten. With over 30 years of expertise, Blue Ocean caters to both commercial and personal shipping needs.

Blue Ocean provides comprehensive shipping solutions, including Full Container Load (FCL) and Less than Container Load (LCL) services. Their fleet accommodates various cargo types, from dry goods to refrigerated containers and specialized equipment like flat racks and open tops. Consolidation services allow cost-efficient shipping by combining smaller shipments into a single container. The FCL specifications offered by Blue Ocean Transport are depicted below.

Dimensions	Standard 20'	Standard 40'	Standard 40'HC
Capacity	1172 cu.ft.	2390 cu.ft	2693 cu.ft
Cargo Weight	38,000lbs	44,000lbs	44,000lbs

[Table 12: Blue Ocean Transport's FCL Specifications](#)

⁴⁷ <https://www.caribtrans.com/services/>

⁴⁸ <https://www.caribtrans.com/schedule/puerto-rico-schedule/>

⁴⁹ <https://www.shipblueocean.com/>

3.3.4 Air Freight Network

Air Cargo Routing and Capacity

Princess Juliana International Airport in St. Maarten serves as the primary transshipment hub for air cargo destined for Saba and St. Eustatius. Due to the short runway at St. Eustatius' airport, only smaller aircraft can land, requiring goods to be transferred from larger planes arriving in St. Maarten to smaller planes for final delivery.

Additionally, St. Eustatius' airport lacks aviation gasoline (AV gas) facilities. As a result, even when direct air freight is technically possible, planes must first stop in St. Maarten to refuel before proceeding to St. Eustatius. This operational requirement increases costs due to additional landing, takeoff, and navigation fees incurred at St. Maarten's airport, further driving up the price of air freight to the island.

Direct and Indirect Flight

There is no direct flight between St. Eustatius and Colombia. Most of the cargo is transshipped from St. Maarten and neighboring islands.

CaribTrans's air freight division covers many Caribbean destinations, including St. Eustatius and Curaçao. Regular flights ensure expedited delivery of time-sensitive goods, complementing their ocean freight operations. The flight schedule highlights weekly cargo departures to key destinations in the region⁵⁰:

- Curaçao: Flights depart every Monday.
- Saba: Flights operate twice a week, on Tuesday and Friday.
- St. Eustatius: Similar to Saba, flights are scheduled for Tuesday and Friday.
- St. Maarten: Flights are available on Tuesday and Friday, ensuring frequent connectivity.

This structured schedule facilitates efficient air cargo operations, connecting smaller islands like Saba and St. Eustatius to more significant hubs such as St. Maarten and Curaçao.

As mentioned earlier, Winair, which previously provided cargo shipment services between the islands of Curaçao, Aruba, and St. Maarten, and the islands of Bonaire, St. Eustatius, and Saba, has ceased this operation.

3.3.5 Cost structure

St. Eustatius's reliance on St. Maarten as a transshipment hub significantly impacts logistics costs. This dependency brings substantial expenses due to handling fees, storage charges, and customs processing. These costs directly affect businesses in St. Eustatius, particularly those involved in high-frequency imports like perishables and construction materials, where delays in St. Maarten can have a ripple effect on shipments.

When goods transit through St. Maarten, they often undergo additional customs inspections, further complicating the process and inflating costs. The added customs processing and storage fees contribute to a higher overall cost for these imports, impacting both businesses and end consumers.

The high logistics costs between Colombia and the islands of Bonaire, St. Eustatius, and Saba are a significant challenge. Logistics expenses (including shipping and warehousing) account for 10-20% of the total product costs. This creates barriers for local businesses, limiting their ability to stay competitive and meet demand efficiently.

3.3.6 Experience of the import/export businesses

The current logistics process for St. Eustatius presents challenges that ultimately lead to higher consumer prices. Cargo must first be shipped to St. Maarten for consolidation before being sent to St. Eustatius, increasing the overall cost due to additional handling, transportation, and customs procedures. Moreover, like in Bonaire, containers arrive full but return empty, reflecting limited export activities and exacerbating costs.

⁵⁰ <https://www.caribtrans.com/schedule/airfreight/>

As a result, high transportation costs directly impact consumers, who face increased prices in local stores. Despite these logistical hurdles, the average delivery time for goods between St. Maarten and St. Eustatius—including shipping and customs processing—ranges from 3 to 7 days.

3.3.7 Commercial Constraints

On the island of St. Eustatius, commerce thrives despite notable constraints. Like Saba, there is only one bank, and financial services are basic at best. The absence of money transfer companies forces businesses to rely on personal networks in St. Maarten for international transactions. Trading with regions like Central and South America is complicated without an established money transfer network.

For St. Eustatius businesses wanting to import goods from Colombia, high bank fees, strict regulations, and the need for intermediaries make the process costly and time-consuming. Entrepreneurs often find themselves stockpiling up to five years' worth of inventory, fearing delays in resupply due to logistical bottlenecks. For instance, when a new product gains popularity, they may face long wait times to replenish stock, leading to lost sales and frustrated customers.

While growth opportunities are present, especially with the potential port expansion, an underlying issue is insufficient commercial infrastructure. Investors eyeing St. Eustatius hesitate due to the lack of suitable business premises. The government primarily supports agriculture, but other sectors remain underserved, stifling diversification. Meanwhile, prices on St. Eustatius continue to be higher than in St. Maarten, discouraging residents from supporting local businesses.

3.4 Saba

Saba is a serene island in the northern Caribbean Sea, approximately 30 kilometers southwest of St. Maarten and 160 kilometers east of Puerto Rico. As the smallest of the Caribbean Netherlands' islands and a special municipality of the Netherlands, Saba relies predominantly on imports for essential goods, managed through its small yet essential Fort Bay port.



Institutional oversight includes the Public Entity Saba, which coordinates with Dutch customs authorities, Customs CN, to manage its limited but vital import-export operations. Regulations prioritize sustainability and compliance with Dutch and international trade standards. The government ensures sustainable logistics development to meet the island's needs while protecting its fragile ecosystem. Given its remote location, Saba faces connectivity challenges, often depending on intermediary trade routes to sustain its economy and logistics operations.⁵¹

3.4.1 General Economic Conditions

The GDP data for 2012–2022 reflects moderate economic fluctuations with periods of growth and contraction.

Year	GDP, value at current prices (million USD)	GDP, value at prices of 2017 (million USD)	GDP, value changes (%)	GDP, volume changes (%)
2012	43	46	-	-
2013	46	48	6.9	5.5
2014	47	48	1.8	-0.2
2015	47	49	1.6	1.2
2016	48	48	2.6	-0.5
2017	48	48	-1.8	-1.4
2018	48	46	0.5	-2.5
2019	47	44	-2.2	-5.3

⁵¹ <https://www.doingbusinessdutchcaribbean.com/saba/introduction-sab/general-information-sab/>

Year	GDP, value at current prices (million USD)	GDP, value at prices of 2017 (million USD)	GDP, value changes (%)	GDP, volume changes (%)
2020	44	41	-6.2	-6.3
2021	46	42	4.9	3.0
2022	49	43	5.9	1.5

Table 13: Saba's GDP 2012-2022⁵²

The economy experienced stagnation and decline. By 2019, GDP in current prices dropped to USD 47 million, with constant prices declining to USD 44 million, indicating economic stress and reduced productivity.

The impact of the COVID-19 pandemic led to a sharp contraction, with the GDP falling to USD 44 million in current prices and volume decreasing by 6.3%. This reflects the significant disruption caused by global and local economic challenges.

A recovery phase emerged, with GDP reaching USD 49 million in current prices by 2022. Value changes improved to 5.9%, while volume changes were positive at 1.5%, although slower than the initial rebound in 2021 (3.0%).

The data indicates a small-scale economy highly sensitive to external factors, with limited but steady recovery efforts in recent years.

3.4.2 International Trade

Saba's economy heavily depends on imports of consumer goods and building materials. Limited local production and a focus on environmental conservation mean that logistics play a crucial role in the island's economic stability. The small population and market size make economies of scale difficult, leading to higher costs for goods and services. Tourism and education (via the Saba University School of Medicine) drive demand for specific goods.^{53 54}

Below is an overview of the import- and export value of Saba from 2012-2022⁵⁵:

Year	Import Value in 1.000 USD	Export Value in 1.000 USD
2012	14.599	-
2013	16.662	30
2014	19.166	160
2015	22.317	368
2016	16.233	423
2017	17.237	264
2018	20.894	501
2019	21.026	202
2020	21.038	357
2021	22.291	584
2022 ⁵⁶	18.407	417

Table 14: Import- and Export Value of St. Eustatius during 2012-2022

Saba's import and export data from 2012 to 2022 reflects the island's reliance on imports to sustain its economy, alongside a steady but limited development in export activities.

⁵² <https://www.cbs.nl/en-qb/figures/detail/84789ENG>

⁵³ <https://www.cbs.nl/en-qb/news/2024/39/bonaire-and-saba-s-economies-grew-in-2022-st-eustatius-economy-shrank>

⁵⁴ <https://www.doingbusinessdutchcaribbean.com/saba/introduction-sab/economy-sab/>

⁵⁵ <https://opendata.cbs.nl/staline/#/CBS/en/dataset/82658ENG/table?ts=1733753735800>

⁵⁶ Figures up until Q3-2022

Over the decade, import values showed consistent growth, rising from USD 14.6 million in 2012 to a peak of USD 22.3 million in 2021. This trend reflects Saba's reliance on imported goods for daily needs and infrastructure development. In 2022 (up to the third quarter), imports totaled USD 18.4 million, indicating potential stabilization or a slight decrease compared to previous years.

Although limited, export activity has shown gradual progress. Starting at negligible levels in 2012, exports reached USD 584,000 in 2021, the highest during the observed period. As of 2022 (up to the third quarter), exports amounted to USD 417,000, reflecting consistent efforts to enhance local production or re-export potential.

Saba's economy shows a growing potential for export development, with imports significantly outpacing exports. In 2021, exports represented around 2.6% of total imports, highlighting an opportunity for the island to enhance its export activities and expand its economic base. This trade structure presents a promising avenue for local industries to develop and tap into new markets, contributing to a more balanced trade profile in the future.

3.4.3 Sea Freight Network



Port Facility

Fort Bay serves as Saba's only official port located on the southern coast, approximately 1 mile (1.6 km) from the island's capital, The Bottom. As Saba's primary maritime entry point, it plays a crucial role in sustaining the island's economy and daily life by facilitating the arrival of essential supplies, tourists, and residents.⁵⁷

Port Infrastructure

Over the years, Fort Bay Harbor has developed to include multiple piers⁵⁸:

- Capt. Leo Chance Pier: Primarily used by cargo vessels, dive boats, and passenger ferries.
- Multipurpose/Fishermen's Pier: A hub for local fishermen and smaller boats.
- Tender Pier: Designed for tendering passengers from yachts and small cruise ships.

Despite recent improvements, including upgrades to the quay wall, boat ramp, and retaining wall between 2010 and 2011, as well as enhancements to the Capt. Leo Chance Pier and roll-on/roll-off pier in 2023, significant operational challenges remain. The port lacks essential infrastructure, such as a crane and a dedicated storage area, and the available equipment is often inadequate for efficient cargo handling.

To address these limitations, expansion and modernization plans are underway. Within the next few years, further development will be carried out to enhance the port's capabilities.

The development of a new harbor in Black Rock is intended to streamline operations by designating Fort Bay for commercial and cargo activities while reserving Black Rock for recreational and tourism purposes. This separation aims to enhance the efficiency of cargo logistics by minimizing congestion and operational overlap and improving the visitor experience.

Furthermore, the existing port of Saba is being renovated for container handling, but expansion of the container park is pending.^{59 60}

Port Handling Capacity

Saba's port operates under capacity due to both infrastructural gaps and limited logistical reach. While vessels arrive on a weekly basis, ensuring a steady but modest supply of goods, the port's operational capacity and efficiency could be strengthened by closing agreements with international ports, such as Colombia, which could facilitate broader trade opportunities.

⁵⁷ <https://www.sabagov.nl/units-directorates/fort-bay-harbor>

⁵⁸ https://en.wikipedia.org/wiki/Fort_Bay

⁵⁹ <https://www.sabagov.nl/news/black-rocks-harbor-project-site-preparations-to-begin-in-early-2025>

⁶⁰ <https://www.rijksdienstcn.com/actueel/nieuws/2024/september/17/80-miljoen-voor-versterking-economisch-fundament-caribische-eilanden>

Saba's port is small and suitable for feeder vessels. Due to its size and the island's geographical constraints, the port has limited storage and handling capacity. This significantly impacts the frequency and volume of goods that can be delivered.

Shipping Lines Schedule

Saba's cargo logistics are supported by a limited number of vessels operating on fixed schedules. Currently, two weekly cargo vessels arrive from St. Maarten on Wednesdays, ensuring the island's primary supply flow. Additionally, a cargo vessel from Puerto Rico services the island every 8 to 9 weeks, typically on a Monday, primarily delivering fuel and select goods.

Logistics Connection with Colombia

Saba faces similar logistical challenges to those of St. Eustatius, particularly regarding its connection with Colombian trade routes. Both islands depend on transshipment and feeder services, with St. Maarten serving as the primary logistics hub. Goods originating from Colombia must follow an indirect and costly route: first shipped to Miami, then consolidated and forwarded to St. Maarten, before finally arriving at Saba. This reliance on intermediary hubs increases overall transportation costs and extends delivery times.

The lack of direct shipping routes between Colombia and Saba can be attributed to insufficient trade volumes, making dedicated shipping services economically unfeasible. Consequently, goods from Colombia must be consolidated with shipments from other key trade partners, such as Florida, to ensure cost efficiency before reaching Saba. Below is an overview of the logistical connection between Colombia and Saba.

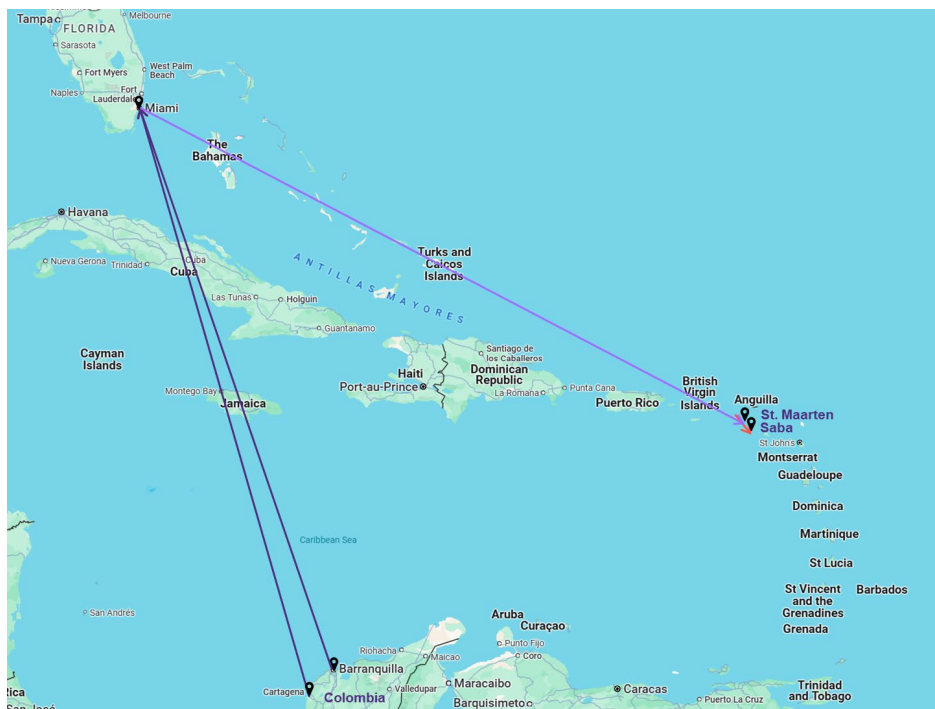


Figure 14: Logistical Connection between Colombia and Saba

Transshipment Hubs

Saba's port currently relies heavily on St. Maarten's Port as its primary transshipment hub, ensuring the flow of goods into the island. However, this single-source dependency limits supply chain flexibility and increases vulnerability to disruptions. Delays during peak periods at St. Maarten's port can increase the prices through the supply chain, inflating logistical costs for Saba-bound goods.

In addition to St. Maarten, Puerto Rico serves as a secondary transshipment hub, playing a crucial role in Saba's fuel supply chain. Fuel imports from Puerto Rico provide an opportunity for Saba to consolidate shipments by including food and other essential items, improving logistics.

Players in the Sea Freight Network

Saba's sea freight is defined by a limited number of key logistics providers, who form the backbone of the island's supply chain. These providers are instrumental in ensuring a consistent inflow of essential goods to an economy that is highly dependent on imports.

- **Makana Ferry Service**⁶¹

Makana Ferry Service plays an integral role in Saba's transportation network. It offers daily routes connecting Saba with St. Maarten and St. Eustatius, ensuring reliable inter-island travel for both passengers and goods. Additionally, Makana provides a vital weekly service to St. Kitts, operating on Mondays and Fridays. This connectivity enhances regional accessibility and supports Saba's economic and social ties with neighboring islands.

- **Saba C-Transport N.V.**^{62 63}

Established in 2005, Saba C-Transport, N.V. is renowned for its tailored logistics solutions and commitment to high-quality service. Beyond handling standard cargo operations, the company offers agency services for various vessel types, including mega yachts, small cruise ships, fuel tankers, and commercial vessels. With over 30 years of experience in Caribbean ferry and cargo services, Blues & Blues, LTD., in partnership with Saba C-Transport, has established a dependable logistics framework that supports the island's supply chain.

Since 2011, Saba C-Transport, N.V. has served as the local shipping agent for Blues & Blues, LTD., a prominent Caribbean shipping company operating the cargo vessels Mutty's Pride and Captain Chrissy. Shipments are coordinated through Swift Shipping Agency at Port de Galisbay, Saint Martin, ensuring a consistent weekly service to Saba every Wednesday.

- **CaribTrans**^{64 65}

CaribTrans provides efficient cargo transportation services to Saba through its well-structured shipping schedules. Departing weekly from Miami, shipments are routed to Saba, St. Eustatius, and St. Maarten with an average transit time of five days. This regular schedule ensures timely deliveries and supports the flow of essential goods to the island. Below is an overview of their Miami and Puerto Rico schedules for sea freight to Saba.

Origin	Departure Day	Arrival	Transit Period
Miami	Wednesday	Sunday	5
Puerto Rico	Friday	Wednesday	5

Table 15: CaribTrans Shipping Schedules to Saba

- **The Edge Ferry**^{66 67 68}

The "Edge" high-speed ferries, operated by Aqua Mania Adventures, offer a crucial passenger service between St. Maarten, Saba, and St. Barths. These wave-piercing catamarans, Edge I and the slightly larger Edge II, provide a comfortable and swift 90-minute crossing from St. Maarten to Saba, depending on sea conditions.

Operating twice weekly on Tuesdays and Fridays, the Edge ferries adhere to strict luggage policies, allowing up to two standard suitcases per passenger (maximum 50 lbs each) and one carry-on item. Cargo services are unavailable on these ferries, and travelers are advised to avoid bringing boxes. This service is highly valued for its speed and convenience, contributing to inter-island connectivity.

⁶¹ <https://www.sabagov.nl/units-directorates/fort-bay-harbor/ferry-services>

⁶² <https://www.sabaferry.com/muttys-pride>

⁶³ <https://www.sabatourism.com/shopping/information-services/stainless-steel/>

⁶⁴ <https://www.caribtrans.com/services/>

⁶⁵ <https://www.caribtrans.com/schedule/puerto-rico-schedule/>

⁶⁶ https://www.stmartinbookings.com/ferry/the-edge-saba?qad_source=1&qclid=Cj0KCQIA4fi7BhC5ARIsAEV1YibZD48Em87_XFosxvayAnGPeoEqnPNGNi_tMQsA_1Hp-UfthAOu7iEaAupdEALw_wcB

⁶⁷ <https://www.stmartinbookings.com/ferry-to-saba>

⁶⁸ <https://www.stmaarten-activities.com/tours/edge-ferry-saba-trips/>

3.4.4 Air Freight Network

Air Cargo Routing and Capacity

The logistics of air cargo in Saba are significantly constrained by the limitations of Juancho E. Yrausquin Airport, home to the world's shortest commercial runway at only 400 meters. This restricts the operation of large aircraft, necessitating the use of smaller planes and increasing reliance on Princess Juliana International Airport in St. Maarten as the primary transshipment hub for goods destined for Saba.

Given the short runway at St. Eustatius' airport, air cargo destined for Saba and St. Eustatius must first be transferred from larger aircraft in St. Maarten to smaller planes for final delivery. This multi-step process adds time and logistical complexity to air freight operations.

Direct and Indirect Flight^{69 70}

Saba lacks direct flights from Colombia or other major regional hubs, relying instead on transshipment from St. Maarten and neighboring islands. Two airlines currently handle scheduled services to Saba:

- Winair operates four or more daily flights to Juancho E. Yrausquin Airport, offering essential inter-island connectivity. They do not deliver air cargo.
- SXM Airways (Private Air Charters), established in 2000, provides customized private charter services for both passengers and cargo, ensuring flexible and efficient transport. They do not deliver air cargo.

CaribTrans' air freight division complements these services by offering weekly cargo flights from Curaçao (departing Mondays) and St. Maarten (Tuesdays and Fridays). This frequency ensures that Saba maintains consistent access to essential goods.

3.4.5 Cost structure

Saba faces similar logistical challenges as St. Eustatius due to its reliance on St. Maarten as a central transshipment hub. The dependency on St. Maarten increases costs associated with handling, storage, and customs processing, directly impacting businesses and consumers. Delays and additional customs inspections in St. Maarten can cause ripple effects, inflating costs further for perishable goods and construction materials.

Efforts to source goods from alternative markets, such as Colombia, are hampered by logistical inefficiencies and consumer preferences for U.S. products. Most supermarkets in Saba purchase their goods from St. Maarten suppliers, who, in turn, source from the U.S. This multi-layered supply chain results in higher prices and reduced freshness of perishable goods by the time they reach consumers in Saba.

3.4.6 Experience of the import/export businesses

Saba's port, being smaller than the port in St. Eustatius, can only accommodate smaller vessels. While this limits the volume of incoming shipments, it aligns with the island's current logistics needs. Efforts to import Latin American products remain minimal due to established trust between local importers and St. Maarten suppliers, as well as consumer preference for familiar U.S. brands.

Additionally, Saba lacks significant export activity, with containers often returning empty, leading to high transportation costs. There is little interest among local businesses in expanding trade with Colombia due to perceived risks and prohibitive costs. Instead, stakeholders prioritize improving the organization of incoming goods and port operations to enhance efficiency.

3.4.7 Commercial Constraints

With only one bank on the island, transactions are limited to basic savings and checking accounts. However, using a checking account for business is virtually obsolete—everything flows through savings accounts, and checks are rarely accepted. Entrepreneurs must adapt to an economy where cash transactions dominate, leaving little room for modern financial flexibility.

⁶⁹ <https://www.sabatourism.com/about-saba/>

⁷⁰ <https://www.sabatourism.com/getting-here/>

For international business dealings, the situation becomes even more challenging. Without local money transfer companies, sending or receiving money relies on trusted intermediaries in St. Maarten. A small business owner on Saba wanting to pay a supplier in Colombia will be challenging. Since local banks impose strict regulations on transactions with Latin America, the owner must first find someone in St. Maarten who can use a money transfer service. The intermediary completes the transaction, and the owner compensates them in cash—a process that's cumbersome and fraught with risks.

Even with budding entrepreneurs eager to grow, Saba lacks sufficient commercial space. New businesses, such as supermarkets, struggle to find proper locations. While opportunities abound, high bank interest rates and logistical limitations deter investment and expansion. Without significant improvement in the financial and trade infrastructure, Saba's dream of conducting seamless international business remains distant.

Several implications for International Business:

- High financial transaction costs and inefficiencies discourage partnerships with new suppliers, especially in Latin America.
- Young entrepreneurs face hurdles in maintaining inventory levels due to limited cargo capacity and high import costs.

Without investment in financial infrastructure, Saba's economy will remain insular, reliant on familiar trade routes like St. Maarten.

4 Findings and Recommendations

In this chapter, the findings will be presented per island based on the results of the analysis and categorized into challenges and opportunities.

4.1 Colombia

4.1.1 Challenges

1. Lack of awareness and engagement with Bonaire, St. Eustatius, and Saba.

- Colombian exporters have limited awareness of Bonaire, St. Eustatius, and Saba, with many unfamiliar with their location or economic potential.
- ProColombia and other trade organizations do not actively promote trade with these islands.
- St. Eustatius and Saba, in particular, remain virtually unknown to Colombian exporters.

2. No direct shipping routes from Colombia to Bonaire, St. Eustatius, and Saba.

- There are no direct shipping routes between Colombia and the islands of Bonaire, St. Eustatius, and Saba.
- Goods must first be shipped to Aruba, Curaçao, or St. Maarten, increasing costs and transit time.
- Shipowners are hesitant to establish direct routes due to low cargo demand.
- There is only one direct flight to Bonaire with a commercial airline, which does not ship cargo out of Colombia to Bonaire.
- A low-competition logistics service environment in Bonaire, St. Eustatius, and Saba further drives up the cost of goods and makes logistics operations expensive.

3. Higher logistics costs and inefficiencies.

- Shipping delays and port congestion in transshipment hubs (Aruba, Curaçao, and St. Maarten) increase costs.
- Cancellations in transshipment hubs (Aruba and Curaçao) results in captains cancelling subsequent stops, as they are lower-priority ports on these routes.
- Handling fees and storage charges at transshipment hubs further raise expenses.
- The trade volume from Colombia to Bonaire, St. Eustatius, and Saba is regarded as insufficient to invite direct shipping services.
- Air freight is limited and expensive due to a lack of direct routes.
- Colombian exporters primarily use FOB terms, meaning they deliver goods to the departure port but do not manage logistics beyond that point.

4. Hesitancy in cargo consolidation due to security concerns.

- Colombian exporters are reluctant to consolidate shipments with other exporters due to concerns about drug contamination and customs penalties.
- Lack of trust among exporters hinders efficient container utilization.

4.1.2 Opportunities

1. Growing interest from Colombian private sector into the island’s markets.

- Approximately 25-30% of Colombian exports already go to the Caribbean, suggesting room for trade growth with Bonaire, St. Eustatius, and Saba.
- Bonaire, due to its proximity to Colombia, has already seen increased trade relations.
- Colombian businesses are open to expanding into the islands of Bonaire, St. Eustatius, and Saba if logistics challenges are resolved.

2. Expansion of air freight services.

- Air freight accounts for a small but essential portion of trade, particularly for perishables and high-value goods.
- Bogotá and Medellín airports already handle international freight services, which could be expanded.

3. Existing demand for imported goods.

- Colombian products like fruits, cement, wood, textiles, and pharmaceuticals already have strong demand in Bonaire.
- Bonaire, St. Eustatius, and Saba imports nearly all of its goods, making it a promising market for Colombian suppliers.

4. Developing alternative shipping routes.

- Colombian ports Cartagena, Barranquilla, and Santa Marta are already connected to regional hubs.
- Puerto Brisa in La Guajira offers a potential direct shipping alternative to Bonaire.

4.1.3 Recommendations

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • Lack of awareness and engagement with Bonaire, St. Eustatius, and Saba. • Growing interest from Colombian private sector into the island’s markets. 	<ul style="list-style-type: none"> • Conduct targeted market research to assess demand for Colombian products in Bonaire, St. Eustatius, and Saba. • Organize trade missions to Bonaire, St. Eustatius, and Saba to introduce Colombian businesses to importers in these islands. • Implement awareness campaigns via ProColombia and the Chambers of Commerce of the islands to educate Colombian exporters on trade opportunities. • Strengthen B2B matchmaking programs to connect Colombian exporters with importers from Bonaire, St. Eustatius, and Saba. • Develop sector-specific trade fairs for industries like food, construction materials, and pharmaceuticals. • Offer logistics support programs to Colombian businesses looking to trade with Bonaire, St. Eustatius, and Saba. 	<ul style="list-style-type: none"> • ProColombia • Chambers of Commerce Bonaire • Chamber of Commerce St. Eustatius and Saba • Holland House in Colombia • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • No direct shipping routes from Colombia to Bonaire, St. Eustatius, and Saba. 	<ul style="list-style-type: none"> • Conduct a feasibility study on direct shipping routes from Cartagena, Barranquilla, and Santa Marta to Bonaire and St. Maarten. 	<ul style="list-style-type: none"> • Colombian Ministry of Transportation • ProColombia

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • Developing alternative shipping routes. 	<ul style="list-style-type: none"> • Explore the chartering of smaller vessels from Colombian Caribbean ports, such as Puerto Brisa, to reduce dependence on transshipment hubs. • Provide incentives for shipping companies to test direct routes, including financial guarantees or shared risk models. • Conduct route optimization studies to explore cost-effective shipping solutions to the islands. • Establish public-private partnerships to test direct cargo routes from Colombia. • Engage logistics companies in discussions about launching pilot shipping programs. 	<ul style="list-style-type: none"> • Shipping companies • Public Entity of Bonaire, St. Eustatius, and Saba • Dutch Ministry of Foreign Affairs • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of the Interior Kingdom • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Higher logistics costs and inefficiencies. 	<ul style="list-style-type: none"> • Negotiate preferential agreements with transshipment hubs to reduce fees for Bonaire-, St. Eustatius-, and Saba-bound cargo. • Advocate for priority handling of the islands' cargo at transshipment ports to reduce delays. • Explore bulk shipping options for perishables and essential goods to reduce overall logistics costs. 	<ul style="list-style-type: none"> • Public Entity of Bonaire, St. Eustatius, and Saba • Shipping companies • Logistics providers • ProColombia • Dutch Ministry of Foreign Affairs • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of the Interior Kingdom • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Hesitancy in cargo consolidation due to security concerns. 	<ul style="list-style-type: none"> • Develop trusted cargo consolidation networks where only authorized exporters can participate. • Implement stricter anti-smuggling protocols to ensure safety in consolidated shipments. • Offer customs incentives for businesses that consolidate shipments to Bonaire, St. Eustatius, and Saba. 	<ul style="list-style-type: none"> • DIAN • ProColombia • Holland House in Colombia • Colombian Exporters Associations (if any) • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba • Public Entity Bonaire
<ul style="list-style-type: none"> • Expansion of air freight services. 	<ul style="list-style-type: none"> • Assess the viability of increasing Z Air services between Barranquilla and Bonaire. • Establish cargo partnerships with regional airlines to enable smoother connections. • Develop government-backed subsidies for air cargo expansion to Bonaire, St. Eustatius, and Saba. 	<ul style="list-style-type: none"> • Civil Aviation Authority of Colombia (CAAC) • Airlines • Public Entity of Bonaire, St. Eustatius, and Saba • Dutch Ministry of Foreign Affairs • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of the Interior Kingdom • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Existing demand for imported goods. 	<ul style="list-style-type: none"> • Identify top Colombian products with potential demand in Bonaire, St. Eustatius, and Saba and promote them through trade agencies. 	<ul style="list-style-type: none"> • ProColombia • Holland House in Colombia • Importers and Distributors in Bonaire, St. Eustatius, and Saba

Findings	Recommendations	Responsible entity(ies)
	<ul style="list-style-type: none"> Strengthen exporter support programs to help small businesses in Colombia navigate the market's of Bonaire, St. Eustatius, and Saba. Create buyer-supplier platforms to facilitate trade deals between importers of Bonaire, St. Eustatius, and Saba and Colombian exporters. 	<ul style="list-style-type: none"> Colombian Trade Associations (if any) The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba

4.2 Bonaire

4.2.1 Challenges

1. High dependence on transshipment hubs.

- No direct shipping routes from Colombia; all goods pass through Curaçao or Aruba, increasing costs and transit times.
- Goods are often delayed due to congestion at transshipment hubs, leading to disruptions in the supply chain.
- Multiple handling steps and customs checks add extra fees.
- Some Colombian goods are transported by air to Curaçao and consolidated for sea transport to Bonaire.

2. Limited port infrastructure and handling capacity.

- The Port of Kralendijk lacks specialized cranes, dedicated storage areas, and expansion space, limiting its efficiency.
- Cargo unloading is dependent on private operator, leading to monopolistic pricing.
- Cruise ships are prioritized over cargo operations, further delaying shipments.
- The port does not have dedicated terrain or warehouse facilities for container storage. Due to urban development near the port, gradually reduces the available storage space.
- Bonaire's port follows a traditional governance model, managing both infrastructure and territorial waters. The Port Master oversees operations, disaster preparedness, and departmental leadership, but this centralized structure may create operational inefficiencies.

3. Higher logistics costs and market structure.

- Higher handling costs due to lack of competition (Don Andres has a natural monopoly on shipping between Curaçao and Bonaire).
- Import duties (8% ABB), storage charges, and regulatory fees further increase costs for businesses.
- Limited container volume results in higher per-unit shipping costs.
- Higher costs for airfreight due to lack of backhaul shipments; return flights to Colombia are empty.

4. Substantial shipping and customs delays.

- Goods shipped as FCL by sea freight from Colombia to Bonaire typically arrive in 6 to 8 weeks.
- Customs clearance procedures for Bonaire are relatively slow, taking 3 days from Curaçao but 3 weeks for shipments from Bonaire to Curaçao.
- Colombia's classification as a high-risk country for drug trafficking results in additional customs checks, adding time and administrative burden.

5. Limited air cargo services.

- Bonaire relies on commercial flights for air freight, which only accept cargo if space is available.
- Currently, Bonaire has one direct flight from Colombia, but the airline does not ship cargo to Bonaire.
- Air freight can take 7+ days for delivery due to transit through Curaçao.

6. Small market size and trade imbalance.

- Bonaire is a net importer with very low exports, leading to empty return containers and inefficiencies in shipping.
- Due to its small market size, the current low volume for Colombian goods to Bonaire, results in limited cargo consolidation opportunities.

4.2.2 Opportunities

1. Explore potential for direct shipping from Colombia.

- Introducing better consolidation services to combine goods into fewer containers could lower the per-unit cost of transportation, while also addressing Colombian exporter's hesitancy to share containers.
- An opportunity lies in a public-private partnership focused on centralized consolidating services for goods destined for Bonaire, ensuring a higher level of security and trust, facilitating growth in trade.
- Bonaire, due to its proximity to Colombia, has already seen increased trade relations.
- Colombian businesses are open to expanding into Bonaire if logistics challenges are resolved.

2. Port expansion and infrastructure upgrades.

- The development of container storage areas, cranes, and a commercial cargo terminal could improve handling efficiency.
- The separation of cruise and cargo operations could optimize port usage.

3. Increase competition in shipping and logistics.

- Introducing alternative shipping lines could reduce dependence on Don Andres and promote competitive pricing.
- Encouraging public-private partnerships for port operations may bring investment in handling equipment and warehousing.

4. Streamlining customs and regulatory framework.

- Improving customs clearance processes through digitalization and risk-based inspections could speed up cargo processing.
- Establishing bilateral trade agreements with Colombia could facilitate smoother imports.

5. Development of a regional air cargo strategy.

- Exploring charter cargo flights or dedicated airfreight services could provide an alternative to sea freight for high-value goods.
- Collaboration with regional carriers like Winair or Avianca Cargo could secure guaranteed cargo space.

6. Investment in business and trade facilitation.

- Attracting Colombian exporters to establish local distribution networks in Bonaire.
- Offering financial incentives for local businesses to engage in regional trade.

4.2.3 Recommendations

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • High dependence on transshipment hubs. • Explore potential for direct shipping from Colombia. 	<ul style="list-style-type: none"> • Conduct a feasibility study to assess the economic viability of establishing direct shipping routes between Colombia and Bonaire, focusing on reducing transit costs, improving lead times, and enhancing trade volume. 	<ul style="list-style-type: none"> • ProColombia • Holland House in Colombia • Public Entity Bonaire • Private Shipping Companies • Chamber of Commerce Bonaire • Bonaire Port Authority • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Limited port infrastructure and handling capacity. • Port expansion and infrastructure upgrades. 	<ul style="list-style-type: none"> • Invest in port expansion, including container storage, cranes, and a dedicated cargo terminal. • Re-evaluate the business plan of the Executive Council to explore potential routes and expansion strategies. • Modernize Bonaire's port governance model to enhance efficiency through structured delegation and specialized management. • Secure public and private funding for development projects. • Implement a staged investment plan for infrastructure upgrades, focusing on separating cruise and cargo operations. • Introduce automated cargo handling systems to increase efficiency. 	<ul style="list-style-type: none"> • Public Entity Bonaire • Dutch Ministry of Economic Affairs and Climate Policy • Private Investors • ProColombia • Bonaire Port Authority • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Higher logistics costs and market structure. • Increase competition in shipping and logistics. • Investment in business and trade facilitation. 	<ul style="list-style-type: none"> • Encourage competition by attracting alternative shipping lines, creating a transparent tariff structure, and fostering investment in new logistics infrastructure. • Strengthen collaboration between Bonaire's port and the ports of Curaçao and Aruba to optimize cargo scheduling, minimize port congestion, and reduce delays in goods arriving in Bonaire. • Engage global and regional shipping lines to explore service expansion to Bonaire. • Establish incentives (e.g., tax reductions, subsidies) for new shipping lines entering the Bonaire market. • Develop a public-private partnership (PPP) model to attract private investment in warehousing and port equipment. • Improve transparency in handling fees and introduce regulatory measures to prevent monopolistic pricing. 	<ul style="list-style-type: none"> • Chamber of Commerce Bonaire • ProColombia • Bonaire Port Authority • Public Entity Bonaire • Dutch Ministry of the Interior Kingdom Relations • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Substantial shipping and customs delays. • Streamlining customs and regulatory framework. 	<ul style="list-style-type: none"> • Upgrade customs processing systems to include pre-arrival electronic declarations. • Implement risk-based cargo inspections to streamline low-risk shipments while focusing resources on high-risk goods. • Strengthen regulatory alignment with Colombian customs to enable seamless trade processing. 	<ul style="list-style-type: none"> • Customs Caribbean Netherlands (CN) • Public Entity Bonaire • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Foreign Affairs • ProColombia

Findings	Recommendations	Responsible entity(ies)
	<ul style="list-style-type: none"> Establish a bilateral trade agreement between Colombia and Bonaire to reduce tariffs and ease customs restrictions. 	<ul style="list-style-type: none"> Holland House in Colombia DIAN The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> Limited air cargo services. Development of a regional air cargo strategy. 	<ul style="list-style-type: none"> Explore options for expanding air cargo capacity through charter flights and dedicated air freight services to provide a faster alternative to sea transport. Partner with regional carriers like Winair, Avianca Cargo, and FedEx to allocate dedicated cargo space. Assess demand for high-value and perishable goods requiring faster delivery options. Introduce chartered air cargo services from Colombia, Curaçao, and Miami to Bonaire. Negotiate air freight agreements with logistics providers to ensure stable and competitive pricing. 	<ul style="list-style-type: none"> Bonaire International Airport N.V. Logistics Service Providers and Freight Forwarders Dutch Ministry of Foreign Affairs ProColombia The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> Small market size and trade imbalance. 	<ul style="list-style-type: none"> Develop Bonaire-Colombia export incentives and promote Colombian products in Bonaire to create a two-way trade flow. Promote regional trade by attracting Colombian exporters to set up distribution networks in Bonaire and offering financial incentives for local businesses to expand regional trade partnerships. Organize structural trade missions and business matchmaking events between Colombian exporters and Bonairean businesses. Establish an investment fund or low-interest financing for businesses engaging in cross-border trade. Develop a trade hub or free trade zone in Bonaire to facilitate Colombian exports and regional distribution. Offer tax incentives for companies that expand trade with Colombia. 	<ul style="list-style-type: none"> ProColombia Holland House in Colombia Chamber of Commerce Bonaire Public Entity Bonaire Dutch Ministry of Economic Affairs and Climate Policy Dutch Ministry of Foreign Affairs The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba

4.3 St. Eustatius

4.3.1 Challenges

1. Limited port infrastructure and handling capacity.

- St. Eustatius' port at Gallowsbay lacks specialized cargo handling equipment (e.g., cranes) and has minimal storage space.
- Cargo unloading depends entirely on vessel equipment, reducing efficiency.
- The port operates below full capacity due to logistical constraints.
- Dependence on St. Maarten for transshipment causes delays and cost increases.
- Cold food imports are monopolized by one operator, restricting competition.
- No formal agreements (MoUs) with Colombia or other international ports to expand trade partnerships.

2. Higher logistics costs due to transshipment via St. Maarten.

- Reliance on St. Maarten increases shipping costs due to handling fees, storage charges, and customs inspections.
- Costs contribute to higher prices for goods in St. Eustatius, particularly perishables and construction materials.
- Containers arrive full but return empty, leading to inefficient shipping economics.
- Trade routes are indirect (Colombia → Miami → St. Maarten → St. Eustatius), increasing cost and transit time.
- 10-20% of total product costs are driven by logistics expenses, affecting business profitability.

3. High dependence on St. Maarten for air cargo and high freight costs.

- No direct air cargo services from Colombia; all goods transit via St. Maarten.
- Small runway restricts the size of planes that can land.
- Lack of aviation fuel (AV gas) requires planes to refuel in St. Maarten, increasing costs.
- Landing, takeoff, and navigation fees in St. Maarten add to freight expenses.
- Winair ceased its cargo services, reducing capacity.

4. Lack of financial and trade facilitation services.

- Only one bank on the island with limited financial services.
- No money transfer companies make international payments difficult.
- High bank fees and strict regulations make transactions with Colombia costly.
- Businesses must stockpile 1-5 years' worth of inventory due to long replenishment times, tying up capital.
- No commercial infrastructure (e.g., warehouses, business premises) discourages investment.

4.3.2 Opportunities

1. Expansion of direct trade with Colombia.

- Growing demand for fresh produce and household goods in St. Eustatius.
- Direct trade could reduce transit time and logistics costs.
- Potential to diversify supply chains and reduce dependency on U.S. suppliers.

2. Port expansion and modernization.

- Ongoing expansion project will improve berthing capacity and infrastructure.
- Potential for increased trade volume with improved facilities.
- Ability to serve as a transshipment hub for other smaller Caribbean islands.

3. Strengthening inter-island maritime and air freight connectivity.

- Potential to expand routes beyond St. Maarten, increasing competition and lowering costs.
- Development of regional partnerships with other Caribbean hubs (e.g., St. Kitts, Antigua, Puerto Rico).
- Increase in tourism and trade if connectivity improves.

4.3.3 Recommendations

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • Limited port infrastructure and handling capacity. • Port expansion and modernization. 	<ul style="list-style-type: none"> • Negotiate MoUs with Colombian ports to streamline direct shipping routes and bypass St. Maarten. • Expand port workforce training for modern cargo handling to improve efficiency. 	<ul style="list-style-type: none"> • ProColombia • Holland House in Colombia • Public Entity St. Eustatius • St. Eustatius Port Authority • Chamber of Commerce St. Eustatius and Saba • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • High logistics costs due to transshipment via St. Maarten. • Strengthening inter-island maritime and air freight connectivity. 	<ul style="list-style-type: none"> • Negotiate preferential customs agreements with St. Maarten to streamline transshipment costs. • Explore direct shipping feasibility from Colombia to St. Eustatius, assessing: <ul style="list-style-type: none"> ○ Consolidation hubs in Barranquilla or Cartagena. ○ Cost-sharing models for exporters to reduce per-container expenses. ○ Incentives for shipping companies to operate direct routes. • Establish a small-scale Free Trade Zone to enable efficient re-exporting and cargo consolidation. • Expand storage facilities to allow for larger volume purchases at competitive rates. 	<ul style="list-style-type: none"> • Public Entity St. Eustatius • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Interior Kingdom Relations • Dutch Ministry of Foreign Affairs • St. Eustatius Port Authority • Private Shipping Companies • Chamber of Commerce St. Eustatius and Saba • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • High dependence on St. Maarten for air cargo and high freight costs. • Strengthening inter-island maritime and air freight connectivity. 	<ul style="list-style-type: none"> • Conduct a feasibility study on chartered air cargo services from Colombia or other regional hubs. • Partner with regional carriers to secure dedicated cargo space. • Introduce fuel subsidies to offset AV gas costs or explore a small fuel depot at the airport. • Negotiate reduced landing fees for cargo flights at St. Maarten to minimize costs. • Negotiate new shipping routes with regional carriers (e.g., King Ocean). 	<ul style="list-style-type: none"> • Chamber of Commerce St. Eustatius and Saba • ProColombia • Holland House in Colombia • St. Eustatius Port Authority • Public Entity St. Eustatius • Dutch Ministry of the Interior Kingdom Relations • Dutch Ministry of Economic Affairs and Climate Policy

Findings	Recommendations	Responsible entity(ies)
	<ul style="list-style-type: none"> Develop public-private shipping initiatives to enhance cost-effective inter-island freight solutions. Explore regional air cargo partnerships for small-scale logistics solutions. 	<ul style="list-style-type: none"> Dutch Ministry of Foreign Affairs Logistic Service Providers
<ul style="list-style-type: none"> Lack of financial and trade facilitation services. 	<ul style="list-style-type: none"> Establish a financial services hub to facilitate trade finance and money transfers. Work with banks to reduce transaction costs for international payments. Offer subsidized loans or grants for businesses investing in regional trade. Develop small-scale warehousing projects to allow for just-in-time inventory management. Improve business infrastructure to attract investors and expand commercial activity. Facilitate financial agreements between the bank and Colombian banks to improve transaction ease. Encourage digital payment solutions for import/export transactions. Assess the feasibility of money transfer companies opening branches in St. Eustatius. 	<ul style="list-style-type: none"> Public Entity St. Eustatius Dutch Ministry of Economic Affairs and Climate Policy Dutch Ministry of Foreign Affairs Dutch Ministry of the Interior Kingdom Relations ProColombia Holland House in Colombia Chamber of Commerce St. Eustatius and Saba Local and regional banks The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> Expansion of direct trade with Colombia. 	<ul style="list-style-type: none"> Organize Colombian trade delegations to explore partnerships with St. Eustatius businesses. Conduct a market assessment on demand for Colombian imports. Create a B2B matchmaking platform between Colombian exporters and St. Eustatius buyers. Establish a customs fast-track program for Colombian imports. 	<ul style="list-style-type: none"> Public Entity St. Eustatius Dutch Ministry of Economic Affairs and Climate Policy Dutch Ministry of Foreign Affairs ProColombia Holland House in Colombia Chamber of Commerce St. Eustatius and Saba Customs Caribbean Netherlands (CN) The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba

4.4 Saba

4.4.1 Challenges

1. Limited port infrastructure and handling capacity.

- St. Fort Bay is Saba's only port, serving both cargo and passenger operations.
- The port lacks essential infrastructure, such as a crane and dedicated storage facilities, limiting efficient cargo handling.
- Cargo unloading depends on vessel equipment, leading to operational inefficiencies.
- Limited space restricts the port's capacity to expand cargo volumes, reducing trade opportunities.
- Port congestion risks due to combined commercial and tourism activities.

2. High logistics costs due to transshipment via St. Maarten.

- Saba relies entirely on St. Maarten for transshipment, increasing handling and customs costs.

- Indirect shipping routes (Colombia → Miami → St. Maarten → Saba) increase logistics expenses and delivery times.
- Limited shipping frequency (weekly from St. Maarten, every 8-9 weeks from Puerto Rico) restricts import flexibility.
- Goods consolidation in Miami before reaching Saba adds extra costs.
- Cold food imports are monopolized by a single provider, limiting competition.

3. Dependence limited air cargo capacity and high freight costs.

- Juancho E. Yrausquin Airport has the world's shortest commercial runway, restricting large cargo aircraft.
- No direct air cargo from Colombia, requiring shipments to be routed via St. Maarten.
- High aviation costs due to stopovers, refueling, and additional handling in St. Maarten.
- Winair ceased cargo operations, limiting air freight capacity.
- No customs area at Saba's airport, requiring cargo to be pre-cleared elsewhere.

4. Lack of financial and trade facilitation services.

- Only one bank on Saba with limited financial services.
- No money transfer companies, making international transactions difficult.
- Strict banking regulations make payments to Latin America costly.
- High bank fees discourage business expansion.
- Lack of commercial real estate for new businesses.
- High cost of capital (loans/interest rates) hinders investment.

4.4.2 Opportunities

1. Expansion of direct trade with Colombia.

- Growing demand for fresh produce and household goods in Saba.
- Potential to bypass St. Maarten, reducing costs.
- Diversification of trade sources to improve resilience.
- Potential to diversify supply chains and reduce dependency on U.S. suppliers.

2. Port expansion and modernization.

- Potential New Black Rock Harbor project will improve infrastructure.
- Investment in cargo handling equipment could enhance efficiency.
- Potential to separate cargo and passenger operations, reducing congestion.

3. Strengthening inter-island maritime and air freight connectivity.

- Potential to expand routes beyond St. Maarten, lowering costs.
- Opportunity to partner with Puerto Rico for combined cargo shipments.
- Growth in inter-island trade could improve supply chain efficiency.

4.4.3 Recommendations

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • Limited port infrastructure and handling capacity. • Port expansion and modernization. 	<ul style="list-style-type: none"> • Negotiate MoUs with Colombian ports to streamline direct shipping routes and bypass St. Maarten. • Accelerate the Black Rock Harbor project to: <ul style="list-style-type: none"> ○ Separate commercial and passenger activities, improving logistics efficiency. ○ Develop Black Rock as a tourism hub while Fort Bay remains the cargo hub. ○ Focus on dedicated cargo handling equipment, increasing storage capacity, and improving climate resilience. 	<ul style="list-style-type: none"> • ProColombia • Holland House in Colombia • Public Entity Saba • Saba Port Authority • Chamber of Commerce St. Eustatius and Saba • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • High logistics costs due to transshipment via St. Maarten. 	<ul style="list-style-type: none"> • Develop a trade facilitation agreement with St. Maarten to reduce customs processing costs for Saba-bound goods. • Explore direct shipping feasibility from Colombia to Saba, assessing: <ul style="list-style-type: none"> ○ Consolidation hubs in Barranquilla or Cartagena. ○ Cost-sharing models for exporters to reduce per-container expenses. ○ Incentives for shipping companies to operate direct routes. 	<ul style="list-style-type: none"> • Public Entity Saba • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Interior Kingdom Relations • Dutch Ministry of Foreign Affairs • Saba Port Authority • Private Shipping Companies • Chamber of Commerce St. Eustatius and Saba • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Dependence limited air cargo capacity and high freight costs. • Strengthening inter-island maritime and air freight connectivity. 	<ul style="list-style-type: none"> • Conduct a feasibility study for a charter air cargo service from Colombia to Saba. • Negotiate reduced landing fees in St. Maarten for Saba-bound cargo to lower costs. • Partner with regional air cargo providers for dedicated Saba services. • Explore small-scale warehousing solutions near the airport to facilitate efficient cargo transfers. • Introduce fuel subsidies to offset AV gas costs or explore a small fuel depot at the airport. 	<ul style="list-style-type: none"> • Chamber of Commerce St. Eustatius and Saba • ProColombia • Holland House in Colombia • Saba Port Authority • Public Entity Saba • Dutch Ministry of the Interior Kingdom Relations • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Foreign Affairs • Logistic Service Providers • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba
<ul style="list-style-type: none"> • Lack of financial and trade facilitation services. 	<ul style="list-style-type: none"> • Attract financial service providers to establish money transfer services on Saba. • Negotiate lower transaction fees for international payments, especially for Colombian trade. • Provide low-interest financing incentives for businesses importing goods from Latin America. • Develop a commercial infrastructure project to create rental spaces for new businesses. • Encourage investment in warehouse facilities to improve supply chain efficiency. 	<ul style="list-style-type: none"> • Public Entity Saba • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Foreign Affairs • Dutch Ministry of the Interior Kingdom Relations • ProColombia • Holland House in Colombia • Chamber of Commerce St. Eustatius and Saba • Local and regional banks

Findings	Recommendations	Responsible entity(ies)
<ul style="list-style-type: none"> • Expansion of direct trade with Colombia. 	<ul style="list-style-type: none"> • Organize trade delegations between Colombian exporters and Saba businesses. • Conduct a cost-benefit analysis of direct shipments from Colombia. • Create a trade promotion initiative for Latin American exporters interested in Saba. • Develop a fast-track customs clearance program for Colombian imports. 	<ul style="list-style-type: none"> • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba • Public Entity Saba • Dutch Ministry of Economic Affairs and Climate Policy • Dutch Ministry of Foreign Affairs • ProColombia • Holland House in Colombia • Chamber of Commerce St. Eustatius and Saba • Customs Caribbean Netherlands (CN) • The Cabinet of Special Envoy Bonaire, St. Eustatius, and Saba

5 Appendices

Appendix 1: List of documentation analyzed

Holland House

- HHCO - Report Connecting Colombia to the BES Islands - First Draft
- 'Rapport Export Colombia naar Aruba, Curaçao en BES 2021-2024', export data from DIAN
- Presentation 'Export Agroalimentos naar Aruba – Curaçao'
- Presentation 'Business Opportunities for Curaçao in Colombia'
- Presentation 'Business Opportunities for Aruba in Colombia'
- Presentation 'Doing Business in Panama'

Douane Caribbean Netherlands

- 'Aangiftes als de goederen hebben een begin, tussen of een eind stop bij Colombia, Registratie datum tussen 01-01-2020 en 06-30-2024', extracted from Asycuda on 5 November 2024

Reports and Studies

- BBVA Research, Colombia Economic Outlook – Pedaling toward economic revival, June 2024
- Logistics Chain Study for Saint Lucia, International Trade Center and Caribbean Development Bank 2023
- Logistics Chain Study for Granada, International Trade Center and Caribbean Development Bank 2023
- Second opinion Maatschappelijke Kosten-Baten Analyse Vrachthaven Bonaire, Frits Bos en Peter Zwaneveld, Centraal Planbureau, CPB - oktober 2023
- Aruba, Curaçao and Sint Maarten – study on price developments and logistics in the region, Part I: final report, November 2017
- Aruba, Curaçao and Sint Maarten – study on price developments and logistics in the region, Part I: annex A-F, November 2017
- Onderzoek naar prijzen in Caribisch Nederlands, Deel I: Eindrapport, Ecorys, July 2017
- Onderzoek naar prijzen in Caribisch Nederlands, Deel II: Bijlage A-F, Ecorys, July 2017
- Onderzoek naar prijzen in Caribisch Nederlands, Deel III: Bijlage G en H (factsheets), Ecorys, July 2017

Articles

- A Framework for evaluating the potential for using air-maritime integration in modern supply chains, Amani Karunathilake et al., Transportation Research Procedia 48 (2020) 388-400, May 2019
- A Collaborative Supply Chain Management System for a Maritime Port Logistics Chain, L.M. Ascencio et al. / 444-458, Journal of Applied Research and Technology, Vol. 12, June 2014
- Perspectives on risk management in supply chains, Ram Narasimhan et al., Editorial / Journal of Operations Management 27 (2009) 114–118, February 2009
- Importance of Balancing Air and Sea Logistics in the Industry, Pangea Network

Data from desk-research

- DANE, Exportaciones de Colombia, según países de destino, Total nacional (1970-2024)^p, Excel: anex-EXPORTACIONES-SerieHistorica1970-2024-oct2024
- Centraal Bureau voor de Statistiek, StatLine – Caribbean Netherlands; import and export values per island, dated 8 November 2022

Appendix 2: List of interviewees

#	Interviewee	Category
01	Bonaire Logistics and Wholesale	Business
02	Elegance Health and Beauty Spa	Business
03	Rocargo Logistics Services	Logistics service provider
04	Cavalier Logistics	Logistics service provider
05	Fast Delivery Services	Logistics service provider
06	Don Andres	Logistics service provider
07	Caribtrans Shipping	Logistics service provider
08	Bonaire Haven- en Loodswezen	Port authority / local government
09	St. Eustatius Harbor	Port authority / local government
10	Fort Bay Harbor	Port authority / local government
11	Belastingdienst en Douane Bonaire, St. Eustatius, and Saba	Customs authority
12	Chamber of Commerce Bonaire	Trade and business facilitators
13	Chamber of Commerce Saba and St. Eustatius	Trade and business facilitators
14	Holland House Colombia	Trade and business facilitators
15	Ministry of Interior Affairs and Kingdom Relations, Ministry of Foreign Affairs, Ministry of Economic Affairs and Climate	National government
16	Central Bureau of Statistics	National government

Appendix 3: List of acronyms

BES	Bonaire, St. Eustatius, and Saba
EU	European Union
UN	United Nations
LAC	Latin America and the Caribbean
GDP	Gross Domestic Product
DIAN	Dirección de Impuestos y Aduanas Nacionales
ANI	National Infrastructure Agency
CAAC	Civil Aviation Authority of Colombia
CAS	Curaçao, Aruba, and St. Maarten
FOB	Free on Board
FCL	Full container load
CIF	Cost, Insurance, and Freight
TEU	Twenty-foot Equivalent Unit
DWT	Deadweight Tonnage
GRT	Gross Register Tonnage
LCL	Limited container load
LOA	Length Overall
OCT	Overseas country and territory
RoRo	Roll-on Roll-off
RUT	Tax Identification Number
VUCE	Integrated Foreign Trade System
HS	Harmonized System



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