



**Minister of Tourism, Health
and Sports**

REQUEST FOR EXPRESSION OF
INTEREST FOR THE DEVELOPMENT
OF MEDICINAL CANNABIS

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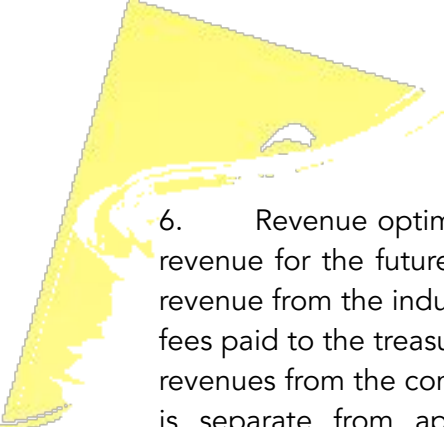
Request for expression of Interest (REOI) Medicinal Cannabis Operations in Aruba

Establishing a Medicinal Cannabis framework for the industry is a priority for the Government of Aruba. The Minister of Tourism, Health & Sports (“MTVS”) through the Bureau Medicinale Cannabis (“BMC”) will give one or a limited amount of licences to grow cannabis domestically and will control Aruba’s production and commercialisation. Third parties will be able to participate in the industry by obtaining a license from the the Minister of Tourism, Health & Sports (“MTVS”) and entering into a commercial relationship with a designated government commercial entity.

This Request for Expression of Interest (“REOI”) is part of a preliminary exploration from the MTVS and is intended to explore and determine the interest from parties in the market to be part of the medical cannabis industry of Aruba and to inventorize the type of interest that exists.

Those parties wishing to express interest should comply with following minimum requirements:

1. Legal framework. The import, growth, processing, refining, production and export of medical cannabis can only take place with an authorization from the MTVS in accordance with the applicable legislation and must be in compliance with the Single Convention on Narcotic Drugs, 1961, as amended by the Protocol amending the Single Convention on Narcotic Drugs, 1961 (“Single Convention”).
1. Respondents must present an overview of the desired/anticipated operation and explain in detail what measures, steps and procedures will be taken for the operation to be fully compliant with the Single Convention. Single, not substantiated statements stating that the operation will be compliant will be deemed non-compliant with this requirement.
1. Zoning. The locations for any growing facility must be located within the allocated zoning areas for (indoor-) agriculture or industrial/pharmaceutical processes. These zoning aspects are regulated by among others the ROP en de ROPV www.dip.aw.
1. Respondents are responsible for independently researching and complying with these zoning requirements. In the expression of interest the respondent must indicate the (desired or projected) location with digital coordinates so that these areas can be reviewed and screened for zoning compliance and regulatory approval.
1. Scope for project. Respondents are requested to provide details of the intended/desired operations. It is understood that various business models are possible with regard to import, growth, processing, upgrading, refining, production and export of medical cannabis. It is envisioned that each operation will get a specific authorization and as such will be bound by different requirements specific to each operation. Single, not substantiated statements stating that a candidate intends to do one or more or all aspects, will be deemed non-compliant with this requirement.



6. Revenue optimization. The government envisions that this industry will generate significant revenue for the future operators in Aruba. Similarly the government wishes to optimize the direct revenue from the industry for the treasury based on among others: one time and recurring licensing fees paid to the treasury, inspection and certification fees and other fees paid to the BMC as well as revenues from the commercial relationship with the designated government commercial entity. This is separate from applicable profit taxes, wage taxes, BBO/BAZV taxes and other general macroeconomic benefits. Parties are invited to present one or more business models reflecting the aforementioned along with projected revenues for the government, BMC and the designated government commercial entity.

7. Experience. Parties wishing to be considered as part of this future industry must demonstrate relevant experience and track record in the relevant area of the medicinal cannabis industry they envision to operate in Aruba.

8. Supervision. Operations will be subject to supervision and inspection by public officials or persons designated by the MTVS. It is anticipated that some or all of the laboratory testing will be performed by laboratories designated by the MTVS. Cost of which will be borne by the operator and is exclusive of any taxes, licenses or other fees paid to the MTVS, Bureau Medicinale Cannabis or any designated government private entity.

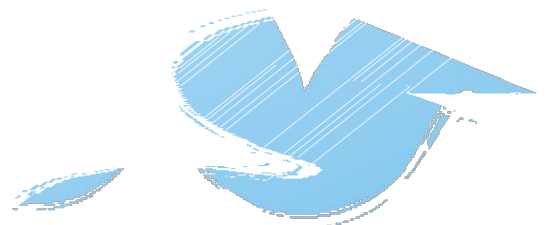
9. Certification requirements. Operations involving laboratories are expected to comply with applicable laboratory accreditation programs such as the ISO/IEC 17025, GMP and GLP. This section should also address relevant quality control measures. Operators that want to grow medicinal cannabis are expected to comply with GAP (Good Agricultural Practice) standard for growing medical cannabis and relevant ISO certification. These certifications are separate and distinct from applicable domestic licensing and other permits.

10. Accounting standards. Respondents and the ultimate operator will expect to comply with audited financial statements audited by a qualified CPA/RA established in Aruba.

11. Investment. Respondents are required to submit an investment plan along with a construction plan along with the corresponding timeline. The timeline should include any staged investments. A letter of availability of funds issued by a reputable international or local bank to carry out the investment should be submitted.

12. Security. Due to possible heightened risk respondents are required to take into account and present a security plan to secure the facilities and the area surrounding the premises. This should include but not limited to personal and electronic surveillance under supervision of a chief security officer to be screened and approved by the MTVS. The chief security officer will have to obtain clearance from the MTVS to assume the role.

13. Employment. Respondents are required to provide manpower planning for the first 3 years of operations including description of the number of positions, types of positions. The employment requirements should benefit primarily the current resident population.



14. Group submissions. If a respondent is submitting an expression of interest it must disclose the fact that any group-, related- or affiliated entity is also expressing such interests. In light of the anticipated limited number of authorizations to be granted it is not the intention to grant multiple authorization within a group of-, related or affiliated companies.

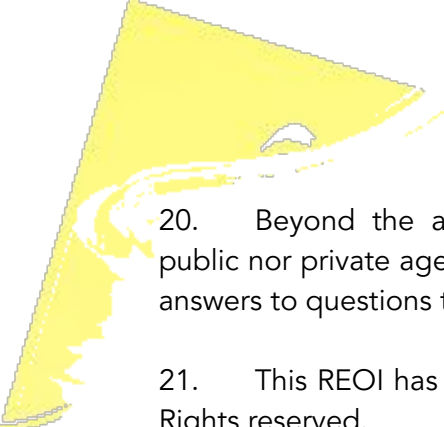
15. Sustainability. Aruba is pro sustainable development and will require respondents to provide details on sustainability levels of the construction and operations of their facility.

16. Procedure. Once the MTVS has received all responses it will review, analyze and inventorize and determine the next steps to follow. It is noted that the process to bring about a legislative change that would allow the import, growth, processing, upgrading, refining, production and export of medical cannabis has been initiated. The responses received may influence or bring about changes to the current draft.

17. Notwithstanding anything contained elsewhere in this REOI, this REOI is subject to the following conditions, all of which each respondent irrevocably accepts by responding to this REOI: (i) MTVS reserves the right to reject any or all submissions submitted in response to this REOI. In the event of such rejection, the respondent(s) shall be notified by electronic mail. MTVS reserves the right to cancel this REOI at any time with or without cause; and (ii) The criteria found in this REOI are minimum guidelines and is not an exhaustive list. In assessing any response, MTVS may consider any other factor considered appropriate and relevant by MTVS in its discretion. MTVS reserves the right to do a comparative evaluation on any submissions received and to evaluate them based on considerations which MTVS determines would yield the best value. MTVS shall be entitled, in its sole discretion, to waive any irregularity, informality, or non-conformance with these instructions in any submission received by MTVS or to set aside any submission containing any such irregularity or non-conformity. The MTVS may, at its discretion, choose to hold a questions and answer session with respondents, require additional information from respondents and/or choose to inspect facilities as part of the fact finding procedure.

18. This procedure is not intended to be a (public) tender nor is it an invitation for parties to apply for a(ny) license nor exemption. MTVS will review all expressions and consider the most opportune path forward bearing in mind the plans of the government and the public interest. MTVS may use information received in whole or in part to shape legislation and policy. MTVS shall at its sole discretion determine any subsequent steps.

19. Communication. Parties that have and can demonstrate experience in the relevant field and can meet the aforementioned relevant criteria are requested to send their expression of interest in one (1) electronic copy in Adobe Portable Document Format ("PDF") not later than: April 6th, 2020, 20:00 Atlantic Standard Time (UTC/GMT -4 Hours) to: MedCan@gobierno.aw. Submission of hard copies is not required.

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20. Beyond the above-mentioned communication method no government officials nor any public nor private agencies nor any other individuals have been designated to provide comment or answers to questions to possible queries from potential or actual respondents.

21. This REOI has been prepared by the offices of the Minister of Tourism, Health & Sports. All Rights reserved.

Aruba, March 2nd , 2020

Minister of Tourism, Health & Sports
D.P. Oduber

