

**U.S. Department of Commerce  
Economic Development Administration  
Presence in the U. S. Territories**

**Progress Report**

As the only federal agency with economic development as its exclusive mission, the Economic Development Administration (EDA) promotes the economic ecosystems in which jobs are created through a wide range of technical, planning, and infrastructure investments. EDA strives to advance global competitiveness, create high-skill high-wage jobs, and effectively leverage public and private resources.

Sound economic development is based on comprehensive economic development strategies (CEDDS). A CEDDS is designed to bring together the public and private sectors in the creation of an economic roadmap to diversify and strengthen an economy. By analyzing the unique challenges and opportunities of an economy a CEDDS serves as a guide for establishing economic goals and objectives, developing and implementing an economic plan of action, and identifying investment priorities and funding sources.

EDA prides itself on a long tradition of superior customer service which extends to the Insular Areas through its regional offices and economic development representatives (EDR) who are well trained and very familiar with the islands they serve. Guam, the Northern Marianas, and American Samoa are served by the Seattle regional office and EDR Gail Fujita, who is stationed in Hawaii. The U.S. Virgin Islands is served by the Philadelphia regional office and EDR Alma Plummer.

**American Samoa**

American Samoa CEDDS submitted a new CEDDS for approval in 2013 that addresses the challenges that the increased minimum wage have brought to the islands.

In FY 2013, EDA also awarded \$3 million to construct roads and fencing to expand the Daniel K. Inouye Industrial Park. This project is currently under construction and is expect to be completed by June of 2015.

**Guam**

The CEDDS for the territory of Guam was approved in 2011 and continues to serve as a guide for economic development. EDA participates with Guam and other federal partners on the proposed anticipated military buildup, which is now expected around 2020. In FY 2013 EDA awarded a grant to the University of Guam to develop an integrated strategy to increase tourism, exports, and competition in the global marketplace. It also supports the University's efforts to strengthen the regional economy through the provision of technical assistance and applied research that will help boost and spur innovation and entrepreneurship.

Gail Fujita recently visited Guam and met with various officials regarding potential EDA applications and to monitor existing EDA investments.

## **Northern Marianas**

The CEDS covering the islands of Rota, Tinian, and Saipan in the Northern Mariana Islands was approved in 2010 and continues to serve as a guide for economic development. Other recent EDA investments in the Northern Marianas include the construction of critical water system infrastructure improvements for the island of Saipan. EDA invested \$750,000 in FY 2008 for replacement of a waterline, which was completed in 2010. In FY 2011 an additional \$1.5 million was awarded for a 1 million gallon water tank to serve the tourism industry; this project is currently under construction. In FY 2013, EDA invested \$2.23 million for a construction of water services and design upgrades to the sewer system for the Lower Base Industrial Park on the island of Saipan. These water related projects support the growth of the tourism industry diversification of the island's economy following the decline of the garment industry.

Gail Fujita recently visited the Northern Marianas and met with various officials regarding potential EDA applications and to monitor existing EDA investments.

## **US Virgin Islands**

The VI Bureau of Economic Research (VIBER) continues to steward the development and implementation of the Comprehensive Economic Development Strategy (CEDS) for St. Thomas, St. Croix, and St. John. In FY13, EDA invested \$440,000 for a natural disaster resiliency project to update the VI CEDS and engage an extensive targeted economic development assessment (Input-Output modeling). The economic, social and financial asset mapping will assess the Territory's global positioning strategy. The Input-Output (I-O) modeling is a macroeconomic measurement technique quantifying private industries (or sectors) interactions within the local, regional (Caribbean) and national economy. In November 2013, the USVI government approved the creation of a "Revenue Estimating Conference". The conference is intended to bring together Legislature, Executive and University officials to develop forecasts of economic and government tax revenues. Analysis proposed in the I-O modeling by VIBER's will have a significant role in providing analytical and data management expertise to the Revenue Estimating Conference.

In FY13, EDA invested \$1 million to the VI Economic Development Authority to establish a disaster resiliency incubator program. The incubator will offer technical assistance, training and mentoring services to small-mid-sized enterprises (SME). To date, the VIEDA has (7) seven SME participants. The SME will engage in a "Small Business Camp Weekend" and "Entrepreneurial Development Program". Both programs will assist disaster impacted business regarding "how-to" business plans, develop/redevelop websites, press releases, comprehensive marketing plan, establishing a global presence, business accounting and other related issues.

Lastly, In FY13, EDA invested \$1 million to the VI Economic Development Authority to establish a disaster resiliency Revolving Loan Program. The program continues to be marketed to various disaster impacted businesses.