

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

Progress Report
Prepared for the Senior Plenary Session of the
Interagency Group on Insular Areas, February 26, 2013

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.

Guam

The CEDDS for the territory of Guam was approved in 2011. Other recent EDA investments in Guam include \$2 million in FY 2009 for the Port Authority of Guam for environmental, architectural, and engineering designs for wharf modernization and terminal facilities improvement and expansion. The final report is forthcoming. The Guam International Airport Authority was awarded \$1.2 million in FY 2008 for site work and infrastructure hookups at the A.B. Won Pat International Airport. Furthermore, the University of Guam (UOG) received \$150,000 in FY 2008 for the Center for Economic Initiatives to assist with the research needed for the anticipated military expansion on Guam. The report has been submitted and approved. UOG also received \$150,000 in FY 2010 to conduct a feasibility study for the revitalization of downtown Hagatna and diversify the economy. The final report was submitted for the in 2012, and awaiting approval.

Northern Marianas

The CEDDS covering the islands of Rota, Tinian, and Saipan in the Northern Mariana Islands was approved in 2010. 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 has received a "Notice to Proceed" and the request for proposals is under consideration.

American Samoa

The American Samoa CEDS was approved in 2008 with an updated in 2010. Other EDA investments include a \$2.1 million grant in FY 2007 to construct a farmers market, fish market and small business incubator. This project was completed in 2009. EDA also awarded \$3 million in FY 2010 to construct roads and fencing to expand the Daniel K. Inouye Industrial Park. This project is in the process of having its scope of work amended; it is projected to be started in phases prior to September of 2013.

US Virgin Islands

The USVI Bureau of Economic Research (USVIBER) stewards the development and implementation of the CEDS for St. Thomas, St. Croix, and St. John. They have recently received a \$440,000 to update the CEDS and engage an extensive targeted economic development assessment. The economic, social and financial asset mapping will assess the Territory's global positioning strategy. The Input-Output modeling is a macroeconomic measurement technique quantifying private industries (or sectors) interactions within the local, regional (Caribbean) and national economy. The 'I-O' modeling is consistent with the Bureau of Economic Analysis' published "Concept and Methods of I-O Accounts". The application will help mitigate future natural or economic disasters by developing a pre and post-disaster road map for the public and private entities by implementing a viable response plan with structured capacity.

EDA also recently awarded \$1 million to the USVI Economic Development Authority Program recently to establish capacity and program activity for an incubator in an existing under-utilized facility owned, operated and maintained by the USVIEDA. The incubator will offer technical assistance, training and mentoring services to small-mid-sized enterprises (SME). The specific target industries will be professional services, food, agriculture, tourism, ecommerce and information technology.

In addition the construction of the LEED certified USVI Research and Technology Park on St. Croix, is expected to be completed in mid-2013. This FY 2009 \$5.5 million investment will help foster the growth and development of a new research and technology business incubator.