

U.S. Virgin Islands: Shaping the Future

The Caribbean U.S. territory is revitalizing its infrastructure and diversifying its thriving economy.

By Sally Crail

Located at the crossroads of North and Latin America, the U.S. Virgin Islands (USVI) is a Caribbean paradise that is home to about 90,000 people and a thriving economy. According to the U.S. territory's Governor Albert Bryan Jr., "Our \$4 billion gross domestic product is expanding rapidly, fueled primarily by a \$25 billion hurricane recovery effort, alongside a booming tourism and construction sector."

USVI's three islands—St. Thomas, St. Croix and St. John—were hit heavily by hurricanes in 2017, and over 1,000 of a planned 1,600-plus projects to restore infrastructure and mitigate against future weather events have been completed so far. This program is being coordinated by the archipelago's Office of Disaster Recovery. Its director, Adrienne L. Williams-Octalien, explained: "We're actively seeking companies to help us address construction, workforce and housing challenges as we rebuild critical facilities and strengthen USVI's resilience."

A key factor in the territory's tourism boom was its decision to stay open during the COVID-19 pandemic, when many of its Caribbean neighbors closed down. Since then, it has welcomed record numbers of air and cruise passengers, with 2.6 million tourists arriving in 2024. "Many U.S. citizens



Albert Bryan Jr.
Governor

"Companies can import goods at just 1 percent duty, add 30 percent local value and export them to the mainland as tariff-free U.S.-made products. It's a major advantage."

Albert Bryan Jr., Governor

have realized they don't need a passport to visit," Bryan noted. Travelers have also discovered USVI's warm hospitality, pristine beaches, clear seas, vibrant culture and rich history. "Demand continues to grow," he added. "That's partly due to our investment in tourism infrastructure. For example, we're rebuilding both of our airports, as the one on St. Thomas has exceeded capacity and St. Croix airport needs modernization. We've added more flights as well and opened our first hotel in four decades, with two more following soon."

Facilitating New Investment Opportunities

In recent years, the territory has diversified its economy into sectors such as export-focused light manufacturing and agribusiness. "The USVI is exempt from federal shipping fees on foreign vessels and from many U.S. trade tariffs," said the governor. "Companies can import goods at just 1 percent duty, add 30 percent local value and export them to the mainland as tariff-free U.S.-made products. It's a major advantage." To capitalize on this, his administration has established the South Shore Trade Zone (SSTZ) on St. Croix, which is close to the island's airport, logistics hubs and a deep-water harbor



St. Thomas' vibrant capital, Charlotte Amalie.

connected to global maritime routes. SSTZ offers ample land for industrial developments and substantial incentives for investors.

Green manufacturing, such as solar panel assembly, is one sector particularly suited to the new area. "We're building a solar grid to deliver carbon-neutral power in the zone, at probably the lowest price in the Caribbean," he explained. "Clean, affordable energy is a big focus for us—St. Croix now has 36 megawatts of solar capacity, nearly covering our daytime peak demand."

The islands boast robust digital infrastructure too. Wayne Biggs Jr. is CEO of the U.S. Virgin Islands Economic Development Authority, which plays a central role in attracting inward investors. He pointed out: "St. Croix's transatlantic cables provide some of the highest bandwidth in the U.S. and that has helped bring tech-driven companies to the territory. We're also seeing real progress in finance and professional services, and we're actively developing our blue economy, leveraging our marine assets such as marinas, charters and cruise infrastructure." Bryan believes USVI is an ideal location for shipbuilding as well. "We're working to develop 1,200 acres of land for this and we're looking to establish a ship registry. This would make USVI a strategic hub for maritime trade," he said.

The English-speaking territory's business environment is attractive for investors in any sector. For instance, it is integrated into the U.S. legal, regulatory and tax systems, while its incentive programs are very competitive. "Furthermore, we have one of the highest per-capita living standards in the Caribbean," Bryan noted. He encouraged investors to consider the islands: "Economic development opportunities don't last long and USVI is experiencing a unique moment right now. We have great resources, advantageous tariffs and a steady government ready to adapt laws to support companies. USVI is winning because we respect and back business."

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Building for Long-Term Survival

The U.S. Virgin Islands is building new infrastructure stronger than ever before so it can weather all storms.

By Sally Crail

In the heart of the Caribbean, the U.S. Virgin Islands (USVI) is undergoing a transformation unlike any in its history. At the forefront is the Office of Disaster Recovery (ODR)—the central agency responsible for overseeing the territory’s recovery from the devastation wrought by Hurricanes Irma and Maria in 2017.

With nearly \$25 billion in federal funding anticipated, the ODR’s mission is not just about rebuilding what was lost—it’s about building stronger, safer and smarter. Its director, Adrienne L. Williams-Octalien, explained how the office manages this herculean task. “Simply put, we get the funds, spend the funds and spend them correctly,” she said, before adding, “Many people assume recovery funds are handed over, but we must demonstrate need, follow strict regulations and manage every dollar effectively.” Since its inception in 2019, the ODR has served as the hub for all federal recovery dollars, coordinating with local and federal agencies such as the Federal Emergency Management Agency (FEMA), the U.S. Department of Housing and Urban Development and the U.S. Department of Transportation.

A significant turning point came with the 2018 Bipartisan Budget Act, which allowed territories like the USVI to not only rebuild damaged infrastructure but also to enhance it to modern, resilient industry standards. “This shift enabled us to secure significantly more funding for schools, hospitals and power infrastructure,” explained Williams-Octalien. “It has been a long process, but a crucial one for the territory.”

In 2024 alone, the ODR recorded over 1,000 completed projects and \$18.1 billion in obligated funds, marking what Governor Albert Bryan Jr. described as a “milestone year.” These projects range from healthcare and education to transportation and utilities. “A major breakthrough was the federal waiver of the local cost share,” added Williams-Octalien. “Thanks to President Biden and strong advocacy by our team, we reduced the local match to just 2 percent for critical infrastructure like schools and hospitals.” To streamline large-scale projects, the ODR established the Super Project Management



Adrienne L. Williams-Octalien
Director, Office of Disaster Recovery



Construction projects include Arthur Richards PreK-8 School.

Office, which oversees more than \$8 billion in bundled infrastructure initiatives. “We bundled together major developments—like five schools and an administrative center—to attract top-tier contractors,” she recounted. The result: an influx of interest from mainland U.S. companies ready to partner in the territory’s reconstruction.

Community engagement and transparency are key components of the ODR’s success. Through interactive maps, social media, local television programs and regular public updates, residents stay informed about progress. Projects such as the Vincent Mason pool in St. Croix, a \$42 million investment in Head Start centers and a new cancer treatment facility underscore the agency’s community-first approach. Mitigation and climate resilience are

“We aim to collaborate with other Caribbean islands facing similar challenges to align priorities and find joint solutions.”

Adrienne L. Williams-Octalien
Director, Office of Disaster Recovery

also vital. “FEMA’s Hazard Mitigation Grant Program helps us strengthen building codes and assess vulnerabilities,” the director said, adding that newer buildings are already showing greater resilience against storms. The ODR is also collaborating regionally, sharing data and strategies with other Caribbean islands.

With generous tax incentives offered through the Economic Development Authority, the territory is ripe for investment. “We’re not only open for business—we’re ready,” she emphasized. “Despite the challenges, we’ve proven our capacity to manage complex projects and welcome partners who want to help shape the USVI of tomorrow.” At a time when climate change, infrastructure needs and economic recovery intersect, the ODR is demonstrating that smart, strategic investment can pave the way for a stronger, more resilient future.



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Development All Around the Territory

USVEIDA is dedicated to making sure that the territory’s economy works for all, with foreign investment targeted.

By Sally Crail

For nearly 25 years, the U.S. Virgin Islands Economic Development Authority (USVIEDA) has been instrumental in shaping the territory’s economic landscape. Under the leadership of CEO Wayne Biggs Jr., it continues to expand its strategic initiatives and deliver tangible results for residents and investors alike.

“The mission of USVIEDA is to diversify the economy by attracting investment, creating quality jobs for residents and strengthening the territory’s tax base,” said Biggs. A cornerstone of this strategy is Vision 2040, a 20-year economic plan launched by USVIEDA during the pandemic that identifies eight high-potential growth sectors, from tourism and finance to renewable energy and the blue economy.

Biggs described the current economic climate as strong and resilient, highlighting notable advances in infrastructure and investment. “Private investors are building solar farms across the islands and our Water and Power Authority is transitioning to cleaner fuels,” he explained. He also emphasized the opportunity created by robust broadband infrastructure, particularly on the island of St. Croix, which has become a magnet for tech-driven enterprises.

To support entrepreneurship, the Economic Development Bank—a USVIEDA division—has played a vital role in financing local startups. “As a secondary lender, we offer a wide range of programs,” said Biggs. “We’ve funded businesses across sectors—from farmers and fishermen to financial firms—with loans ranging from \$1,000 to \$5 million.”



Wayne Biggs Jr.
CEO, U.S. Virgin Islands Economic Development Authority



Wilfred “Bomba” Allick Port and Transshipment Center on St. Croix.

A major highlight for investors is the South Shore Trade Zone in St. Croix, a designated foreign trade zone offering over 300 acres of development-ready land. “It’s our newest economic development tool,” Biggs noted, touting tax incentives and geographic advantages that make it attractive for global manufacturers. Tourism, a key economic driver, is also benefiting from growth-focused programs. The Hotel Development Program incentivizes new and renovated hospitality projects through substantial tax rebates and economic recovery fees. “We’re seeing new hotels rise and others being fully restored, helping us meet surging visitor demand,” Biggs said.

Looking ahead, Biggs emphasized the significance of the agency’s recent rebranding and international outreach: “Our new identity underscores that we’re the U.S. Caribbean—open for business, protected by U.S. laws and welcoming to investors.”

Reflecting on the territory more broadly, he concluded: “We have successfully diversified the economy for the people of the territory, which is our greatest achievement.” His message is clear: “We are open for business and excited to have you.”



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Contact the Virgin Islands Economic Development Authority to learn more

Tel.: 340.714.1700 (St. Thomas) | Tel.: 340.773.6499 (St. Croix) | info@usvieda.org | www.usvieda.org



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