

# American Samoa: Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	63,100	Gross Island Product (GIP, \$ mil)	\$500 (PPP)
Labor Force	17,627	% Tuna Exports	60%
Employment	16,718	% Government Revenues	30%
Private Sector	11,712	% Other	10%
Local Government	5,002	GIP Per Capita (\$)	\$7,924
Federal Government	4	Imports (\$, mil)	\$505.9
Unemployment Rate* (%)	10.5%	Exports (\$, mil)	\$346.3

Sources: ASG Dept of Commerce, Territorial Planning Commission 2003, DOL Economic Report 200

## I. Competitive Advantages

### *Primary:*

- **Import Duties & Tariffs:** Conditional duty-free access to the U.S. market; local & federal tax incentives, such as IRS Code Section 936 & Head Note 3(a)
- **Infrastructure:** Satellite telecom and Internet capabilities; highly developed & reliable utility services; established industrial park areas
- **Labor:** Sets its own minimum wage rate; English-speaking native workforce

### *Secondary:*

- **Governance:** U.S. jurisdiction; U.S.-style courts, tax system, immigration and rule of law
- **Natural resources:** Coral reefs, fertile fishing habitat, a national park within the U.S. National Park Service domain; Scenic hiking trails
- **Culture:** Warm and hospitable, with unique crafts, cuisine & performances

## II. Opportunities For Economic Growth and Development

- **Education and Training:** Vocational trade & technical training, college preparatory training, specialized technical education in conjunction with American Samoa Community College's programs
- **Professional Services:** Workforce and management training
- **Tourism:** Small group and conference tourism, ecotourism
- **Subsistence Agriculture:** Agribusinesses, Aquaculture
- **Privatization Potential:** Airport & Seaport management, Golf Course

## III. Potential for Private-Sector Investments

- Light manufacturing
- eCommerce development
- Ship maintenance & repair services; Airport management
- Visitor support services such as dive shops, Conference & Recreational facilities

# Commonwealth of the Northern Mariana Islands (CNMI): Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	69,221	Gross Island Product (GIP, \$ mil)	557.0
Total Labor Force	44,471	% Tourism	N/A
Total Employment	42,753	% Government	N/A
Private Sector	37,268	% Other	N/A
Government	4,996	GIP Per Capita (\$)	\$8,047
Unemployment Rate (%)	3.9	Imports (\$, mil)	639.7
		Exports (\$, mil)	831.3

Source: 2001 CNMI Statistical Yearbook

### I. Competitive Advantages

#### *Primary:*

- **Location:** Proximity to major East Asian markets
- **Controls own immigration and labor:** foreign workers and tourists
- **Governance:** US jurisdiction and courts and political stability
- **Duty-free access to U.S. markets:** large garment industry

#### *Secondary:*

- **Infrastructure:** Regular air and shipping routes; reliable telecom facilities
- **Climate and environment:** Tropical but moderate climate, ideal for recreation

### II. Opportunities For Economic Growth and Development

- **Tourism:** welcomes around half a million tourists a year (majority are Japanese)
- **Professional Services:** Financial services, retail and wholesale markets
- **Recreational and Sporting Events:** regional and national sporting games
- **Privatizing public services:** Public works, waste and water supply management
- **Education and Training:** College level, vocational and technical training, American business and English language facilities for East Asian managers
- **Industry:** Garment-making
- **Fishing:** Small-scale aquarium fish trade

### III. Potential Private-Sector Investments

- Power and other utility privatization
- “Saipan Beautification” program, road signs & tourist information displays
- Aquaculture exports: niche processed food, tropical flowers
- Professional & vocational training & certification
- Saipan Port upgrades for cruise ships
- Multi-purpose convention and entertainment center

# GUAM: Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	159,547	Gross Island Product (GIP, \$ mil)	\$2,773
Total Labor Force	60,050	Tourism	60%
Total Employment	55,750	Government, Military	30%
Private Sector	35,300	Other	10%
Local Government	12,700	GIP Per Capita (\$)	\$17,913
Federal Government	3,200	Imports (\$, mil)	\$60.8
Unemployment Rate (%)	11.4	Exports (\$, mil)	\$34.6

Sources: GovGuam, Bank of Hawaii (2003), Census 2000 and 2003 official estimates

## I. Competitive Advantages

### Primary:

- **Location:** Proximity to East Asia; Gateway to Micronesia
- **Governance:** U.S. jurisdiction & courts, tax system, immigration and labor, rule of law
- **Security:** U.S. military base, political stability
- **Infrastructure:** Modern commercial airport, seaports, reliable telecommunications, regular air and shipping routes

### Secondary:

- **Tax Incentives:** Tax rebates for qualified investors
- **Labor:** American & multicultural workforce
- **Climate:** Sun, Surf and Sand in a year-round warm and pleasant tropical climate

## II. Opportunities For Economic Growth and Development

- **Professional & Financial Services:** regular commercial financial services, captive insurance business
- **Privatization:** Power, water, solid waste & other utilities; port facilities & ship repair
- **Expansion & Upgrade of Infrastructure:** Utilities including Power & Water system, industrial park facilities, urban revitalization
- **Education & Training:** University of Guam; Testing & certification; International MBA program at University of Guam
- **Tourism:** welcomes around one millions tourist a year, mostly from Japan

## III. Potential Private-Sector Investments

- Privatization of Guam power and water utilities
- Conversion of Guam's power transmission and distribution system from an overhead to an underground system (GPA)
- Tourism Diversification: sports tourism, cultural shows, ecotourism
- Privatization of port facilities & ship repair, & other utilities such as water & solid waste
- Captive Insurance for Asia-based companies

# United States Virgin Islands: Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	109,344	Gross Island Product (GIP, \$ mil)	\$2,069
Total Labor Force	49,900	% Tourism	64
Total Employment	46,370	% Gasoline Refining	16
Private Sector	34,028	% Others	20
Federal Government	905	GIP Per Capita (\$)	\$18,900
Local Government	11,438	Imports (\$, mil)	\$4,609
Unemployment Rate (%)	7.1	Exports (\$, mil)	\$4,234

Sources: Bureau of Economic Research, U.S. Virgin Islands

## I. Competitive Advantages

### Primary:

- **Location:** Proximity to U.S. mainland and Central and South America
- **Infrastructure:** Deep water ports & high-capacity commercial airports, links to transatlantic fiber optic lines and industrial & technology research park proposals
- **Governance:** U.S. jurisdiction & courts, U.S. mirror tax system, U.S. currency, labor and immigration rules

### Secondary:

- **Tax Incentives:** Tax reduction & exemption for qualified investors
- **Logistics:** Regular flights & shipping routes between U.S. mainland & the Caribbean
- **Climate:** Desirable climate & quality of life

## II. Opportunities For Economic Growth and Development

- **Education and Training:** Vocational & technical schools, medical school, regional and in international programs at University of Virgin Islands
- **Tourism:** welcomes more than 2.3 million tourists a year (nearly 1.8 million cruise ship passengers a year); five national park sites within the U.S. National Park Service system; theme & cultural heritage parks, eco-tourism, sports-fishing and other sporting events
- **Manufacturing:** Petroleum refining (hosts the Western Hemisphere's third largest refinery); famed, centuries old rum-making; watch-making
- **Maritime:** Ship-repairing & cruise ship port
- **E-Commerce and High-Tech:** Data storage, programming, back-office functions
- **Agriculture:** Tropical fruits & produce
- **Aquaculture**
- **Privatization:** Waste collection, school maintenance & lunch programs; water and power management

## III. Potential Investments

- Hotel and golf course construction
- Scrap metal and ship wrecking
- Back office technology functions
- Vocational and technical training facilities
- Hospitality and culinary facilities with regional reach

# Republic of the Marshall Islands: Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	56,639	Gross Island Product (GIP, \$ mil)	\$99.2
Total Labor Force	14,700	% Community, Social & Personal	31.6
Total Employment	10,141	% Financial & Real Estate	15.7
Private Sector	5,968	% Wholesale & Retail	12.7
Government	4,498	GIP Per Capita (\$)	\$1,751
Other	4,234	Imports (\$, mil)	\$54.7
Unemployment Rate (%)	30.9	Exports (\$, mil)	\$9.1

Sources: Summer Training Program, Office of Insular Affairs, U.S. Department of the Interior

### I. Competitive Advantages

#### *Primary:*

- **Location:** Proximity to Hawaii
- **Political Stability:** Democratic institutions embedded in the traditional culture
- **Infrastructure:** Commercial airports, sea ports, telecom, Internet access, modern hotels, restaurants and stores, medical facilities; Houses U.S. military facilities
- **U.S. Affiliation:** English-speaking labor and U.S. dollar as currency
- **Governance:** U.S.-style republican system with direct and secret ballot elections of members of the national parliament who selects one member as president; legal code follows U.S. common law system; own labor and immigration rules

#### *Secondary:*

- **Tax incentives:** fisheries, manufacturing, aquaculture and hotel and resort development
- **Logistics:** Regular air and shipping routes between Hawaii, Guam and Micronesia
- **Climate:** Warm and pleasant tropical climate
- **Exclusive Economic Zone:** allows a large area for fish and other sea products

### II. Opportunities For Economic Growth and Development

- **Education and Training:** Vocational & technical training; strengthening College of the Marshall Islands; improvements in health and medical services
- **Tourism:** niche tourism, ecotourism, sports-fishing and other water sporting events
- **Manufacturing:** Pre-canning fish processing
- **Agriculture:** Tropical crops and tree, e.g. coconut trees (copra)
- **Aquaculture**

### III. Potential Investments

- Hotel construction
- Light manufacturing
- Aquaculture
- Fisheries and fish processing
- Agriculture

# Federated States of Micronesia (FSM): Demographic, Economic and Business Opportunities Summary

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## Economy, Labor Force and Employment Statistics

Population	107,513	Gross Island Product (GIP, \$ mil)	\$222.1
Total Labor Force	62,358	% Government	28.0
Total Employment	29,175	% Private Sector	28.0
Private Sector	6,700	% Households	25.0
National Government	810	GIP Per Capita (\$)	\$2,066
State Government	5,047	Imports (\$, mil)	\$108.9
Unemployment Rate (%)	22.0	Exports (\$, mil)	\$20.1

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Sources: Summer Training Program, Office of Insular Affairs, U.S. Department of the Interior

### I. Competitive Advantages

#### *Primary:*

- **Location:** Relative proximity to Hawaii and Guam
- **Political Stability:** Democratic institutions embedded in the various traditional cultures
- **Infrastructure:** Commercial airports, sea ports, telecom, Internet access, hotels, restaurants and stores, medical facilities
- **U.S. Affiliation:** English-speaking labor and U.S. dollar as currency
- **Governance:** U.S.-style republican system with direct and secret ballot elections of state and national government leaders; legal code follows U.S. common law system; own labor and immigration rules

#### *Secondary:*

- **Logistics:** Regular air and shipping routes to Hawaii and Guam
- **Climate:** Warm and pleasant tropical climate
- **Exclusive Economic Zone:** allows access to a large area for fish and other sea products

### II. Opportunities For Economic Growth and Development

- **Education and Training:** Vocational & technical training; strengthening the College of Micronesia; improvements in health and medical services
- **Tourism:** niche tourism, ecotourism, sports-fishing and other water sporting events
- **Manufacturing:** light manufacturing and fish processing
- **Agriculture:** Tropical crops and fruits, coconut trees (copra)
- **Aquaculture**

### III. Potential Investments

- World-class hotel and golf course construction
- Light manufacturing
- Aquaculture
- Fisheries and fish processing
- Agriculture

# Republic of Palau: Demographic, Economic and Business Opportunities Summary

## Economy, Labor Force and Employment Statistics

Population	19,976	Gross Island Product (GIP, \$ mil)	\$109.5
Total Labor Force	9,607	% Government	29.1
Total Employment	9,383	% Trade	23.1
Workers Born Elsewhere	4,990	% Construction	12.0
Born in Palau	4,393	GIP Per Capita (\$)	\$4,295
Unemployed	224	Imports (\$, mil)	\$95.7
Unemployment Rate (%)	2.3	Exports (\$, mil)	\$12.0

Sources: Bank of Hawaii, *Republic of Palau Economic Report, April 2003*, Honolulu, Hawaii.

## I. Competitive Advantages

### Primary:

- **Location:** Proximity to major economies of industrial East Asia
- **Political Stability:** Democratic institutions embedded in the traditional culture
- **Infrastructure:** Commercial airport, sea port, telecom, Internet access, world-class hotels and resorts, restaurants and stores, medical facilities
- **U.S. Affiliation:** English-speaking labor and U.S. dollar as currency
- **Governance:** U.S.-style republican system with direct and secret ballot elections of state and national government leaders; legal code follows U.S. common law system; own labor and immigration rules

### Secondary:

- **Logistics:** Regular air and shipping routes to East Asia, Guam and Hawaii
- **Climate:** Warm and pleasant tropical climate with spectacularly scenic islands
- **Exclusive Economic Zone:** allows access to a large area for fish and other sea products

## II. Opportunities For Economic Growth and Development

- **Agriculture:** Compact Road will circle largest island and provide access to markets
- **Education and Training:** Vocational & technical training; strengthening the Community College of Palau; improvements in health and medical services
- **Tourism:** World-renowned diving sites, welcomes around 60,000 visitors a year; Significant potential for growth in all areas of tourism
- **Manufacturing:** light manufacturing for export to the United States
- **Aquaculture**

## III. Potential Investments

- Hotel and golf course construction
- Light manufacturing
- Aquaculture
- Fisheries and fish processing
- Agriculture
- Ocean research