

US Virgin Islands

The United States Virgin Islands (USVI) is continuing its push to build a high-speed broadband Internet infrastructure in the territory. In October 2012 Governor John de Jongh and the Virgin Islands Next Generation Network announced the award of the first US\$1 million of a forthcoming US\$12 million in local contracts for construction of the broadband network.

The US\$1 million targets labour and material for the installation of racking, generators and steel work at Fibre Access Points in the territory. The funding comes after an initial US\$14.1 million in contracts were awarded in September.

‘I cannot emphasise enough the importance and timing of these various contracts that are now being infused into our local economy,’ de Jongh said. ‘These monies will provide local construction spending to our island contractors at a time when Virgin Islanders are struggling and at a time when the Virgin Islands local economy can truly benefit from such monies.’

The government sees the installation of broadband as an essential economic tool.

COUNTRY PROFILE

Historical profile

1493 The islands were first sighted by Columbus.

1494–1670 The indigenous Carib and Arawak Indian population endured various waves of European invasions and settlement, including African slaves who were used on sugar cane plantations.

1670 The islands of St John and St Thomas were colonised by Denmark.

1733 Denmark purchased St Croix from France.

1917 Denmark sold the islands to the US for US\$25 million.

1927 US citizenship was granted to the islands’ population.

1931 The Virgin Islands were placed under the administration of the US State Department.

1936 Universal suffrage and local government were provided for under the Organic Act of the Virgin Islands.

1954 The United States Virgin Islands (USVI) became an unincorporated territory of the United States, under a revised

Organic Act, which introduced a form of constitution, with a governor appointed by the president of the US and an elected 15-member unicameral legislature (senate).

1970 A governor was elected for the first time, following the 1968 Elective Governor Act, which also included an elected government for the islands.

1973 The USVI elected a non-voting delegate to the US House of Representatives for the first time.

1995 Damage to the power system occurred when Hurricane Marilyn hit the islands. The US Federal government transferred control of Water Island to the territorial government.

1998 Governor Charles W Turnbull was elected. Three serious hurricanes (Bonnie, George and Mitch) tore through the West Indies and between them killed over 9,700 people. However there was less damage inflicted in US Virgin territories due to reconstruction after previous hurricanes which required buildings to be built to withstand Category 2 storms.

2002 Charles Turnbull was re-elected governor and the Democrats won a majority in the parliamentary election. 2006 John deJongh (D) won the gubernatorial election with 49 per cent of the vote.

2007 An area along the coastline of St John was reserved by the Trust for Public Land to be included in the US Virgin Islands National Park, giving it its largest expansion ever.

2008 A 30-member Constitutional Convention began work on drafting a new constitution. It was the fourth time since 1965 that a new constitution has been envisaged, with previous work stalled over the lack of federal voting rights. John deJongh and the Democrats were re-elected.

2009 USVI received three different funds from the US: US\$20.2 million to improve housing for low income residents, around US\$71 million for education and US\$1.3 million for coral reef restoration. Governor John deJongh rejected the draft constitution submitted by the Constitutional Convention stating it violated federal law, failed to defer federal sovereignty and disregarded basic civil rights. He refused to submit it for consideration in the US.

KEY FACTS

Official name: Virgin Islands of the United States

Head of State: President of the United States of America Barack Obama (from 2009; re-elected 6 Nov 2012)

Head of government: Governor John deJongh (Democrat) (from 2007; re-elected 2 Nov 2010)

Ruling party: Democratic Party of the Virgin Islands (affiliated to the US Democratic Party) (from 2002; re-elected Nov 2008)

Area: 355 square km

Population: 109,666 (2011)*

Capital: Charlotte Amalie (on St Thomas)

Official language: English

Currency: US dollar (US\$) = 100 cents

* estimated figure

2010 In January the US Postal Services assigned specific zip codes to islands within the territory: VI followed by 008xx for the five designated destinations. The resident population of the USVI took part in the United States census on 1 April, which, after personal details, included questions on race, housing and internet and mobile phone access. A successful legal challenge to Governor deJongh's refusal to present the draft constitution forced him to comply. President Obama forwarded the draft proposals to the US Congress in May. The US Justice Department restated the concerns of Governor deJongh when the draft was submitted for consideration; as a result Congress rejected the draft requesting that it be reconsidered by the Constitutional Convention on 30 June. In gubernatorial elections held on 2 November, incumbent John deJongh won 56 per cent; Kenneth Mapp (independent) won 44 per cent. 2011 On 24 June the senate passed an austerity act, which will reduce salaries of public workers and allow possible dismissals to reduce costs. The approval was given to avoid the governor's proposal to dismiss up to 600 government employees before April 2012. In August, preliminary results of the 2010 census showed a drop in the population to 106,405, from 108,612 in 2000. It also recorded an increase in the population of St John and a decline in St Croix.

2012 In January it was announced that the Hovensa refinery on St Croix would be shutdown, beginning in February. The refinery had been the biggest private employer in USVI and its closure means the loss of 1,018 directly employed workers and an additional, estimated 1,200 workers from refinery contractors. Unemployment on the island, standing at 18.7 per cent, will increase to some 28.7 per cent. The Venezuelan owners of the refinery reported US\$1.3 billion in losses from the refinery since 2009. The terminal will be converted to a fuel storage facility. 2013 The Virgin Islands Economic Development Authority (VIEDA) announced in September that it has applied for a Choice Neighborhood Initiative Implementation Grant for US\$20 million, a grant made possible by the US Department of Housing and Urban Development (HUD). This grant will provide funding for the VIEDA's Enterprise Zone Commission (EZC).

Political structure

Constitution

USVI is an unincorporated territory of the United States and only certain parts of the US constitution apply. Power is delegated from the US Congress.

Citizens are unable to vote in US federal or presidential elections. However US Virgin Islanders are entitled to vote in presidential primary elections and to send one, non-voting, member to the US House of Representatives for a two-year term.

Form of state

Overseas territory of the United States of America

The executive

Executive authority is exercised by the governor (elected for a four-year term by popular vote) who makes other executive appointments with the concurrence of the legislature.

National legislature

The unicameral legislature, the Senate, has 15 members each serving for two-year terms. The islands are divided into two multimember constituencies with seven senators each. St John is its own constituency and has one senator elected from a list of all-comers.

Legal system

The legal system is based on US laws.

Last elections

2 November 2010 (gubernatorial); 4 November 2008 (Senate)

Results: Gubernatorial: John deJongh won 56 per cent; Kenneth Mapp (independent) won 44 per cent.

Senate: The Democratic Party of the Virgin Islands (Dem) won nine seats (out of 15) independents four and the Independent Citizens Movement (ICM) two.

Next elections

2 November 2014 (gubernatorial); 2016 (parliamentary)

Political parties

Ruling party

Democratic Party of the Virgin Islands (affiliated to the US Democratic Party) (from 2002; re-elected Nov 2008)

Political situation

The economic downturn in the US has had a knock-on effect on the islands. The undercapitalised Virgin Islands Community Bank was sold to FirstBank Virgin Islands in an emergency deal, before a deadline would have resulted in the Federal Deposit Insurance Corporation taking the bank into receivership.

Since then the US House of Representatives has passed a plan to stimulate the economy, including measures to expand mortgage loan opportunities for families at risk of home repossession. It also has islander taxpayers receiving a tax rebate of between US\$300–US\$600 per person, plus US\$300 per child. The money is expected to strengthen the local economy and encourage consumer spending.

In March 2011, the Republican controlled US-Congress voted to rescind the voting rites of representations of the US Virgin Islands, effectively disenfranchising their

electorate in policies that directly affect them.

Population

109,666 (2011)*

About 64 per cent of the population is aged between 15 and 64 years.

Last census: 1 April 2010: 106,405

Population density: 352 inhabitants per square km. Urban population: 46 per cent (1994–2000).

Annual growth rate: 3 per cent (2003)

Ethnic make-up

Descendants of former African slaves form the majority (80 per cent) of the population. Whites make up a further 15 per cent. Almost three-quarters (74 per cent) of inhabitants are West Indians (45 per cent Virgin Islands-born, 29 per cent from elsewhere in the Caribbean). Puerto Ricans make up 5 per cent of the population.

Religions

Various Christian denominations predominate, (Baptist, Roman Catholic and Episcopalian).

Education

Compulsory years: Five to 16 years

Health

Life expectancy: 78.3 years (estimate 2003)

Fertility rate/Maternal mortality rate:

2.2 births per woman (World Bank)

Child (under 5 years) mortality rate (per 1,000): 8.3 per 1,000 live births (World Bank).

Main cities

Charlotte Amalie (on St Thomas, capital, estimated population 9,544 in 2012), Charlotte Amalie East (2,574), Charlotte Amalie West (4,798), Anna's Retreat (7,174).

Frederiksted on St Croix (3,049), Grove Place (2,948), Christiansted (2,714).

The third major island St John is the least populous; Cruz Bay (on St John) (3,037).

Languages spoken

Spanish and Creole are also spoken.

Official language/s

English

Media

Press

Dailies: The two major dailies are *Virgin Islands Daily News* (www.virginislandsdailynews.com) and *St Croix Avis*. Other publications include an independent community newspaper *St John Times*.

The island is served by on-line news services (www.onepaper.com). The *St Croix Source* provides an alternative news and information source for and about the St Croix community. It is the sister publication of *St Thomas Source* and *St John Source*.

Weeklies: *Tradewinds St John Newspaper* (www.stjohntradewindsnews.com) is published and distributed weekly on St John, as well as to international subscribers. Since 1972, Tradewinds Newspaper has been the island authority. A general tourist publication, *St Thomas This Week Magazine*, is available on-line (www.st-thomas.com/week).

Business: Publications include *Virgin Islands Business Journal*.

Broadcasting

Television services are provided by US commercial broadcasters. WSVI TV 8 (Channel 8) (www.wsvi.tv) is an ABC affiliate and WVGN TV 14 (Channel 11) (www.wvgn.com) is an NBC affiliate; both channels broadcast syndicated US shows. There are several radio stations located on both islands and are identified by their call signs, a few are networked such as VI Radio (www.viradio.com). Most broadcast music while a few are news, talk and religious radio stations.

Economy

The islands have little in the way of natural resources and most industries are dependent on either trade with the US or as an offshore site of the US. Manufacturing includes rum, textiles, electronic assembly of components, pharmaceuticals and wristwatch assembly.

Agricultural production is insufficient to provide for the population and most foods have to be imported.

The service sector constitutes the largest component of GDP, of which tourism is the single biggest sector accounting for around 80 per cent of GDP. Tourism provides the islands' main economic activity, including employment and investment.

The global economic crisis had an adverse effect on the USVI as tourist numbers fell from 2.55 million in 2008 to 2.22 million in 2009. This led to a drop in economic activity that caused a rise in unemployment that spread across most industries, reaching 8.5 per cent in September 2008 (the highest rate since 2001 when the US was still reeling from the 11 September atrocities and tourists stayed at home). As the USVI came out of recession in 2009/10 employment prospects improved but did not return to the pre-2008 levels. Consequently, government revenue in 2011 was less than 2007.

On 25 January 2012, the Hovensa oil refinery on Saint Croix was closed down leaving 1,158 workers unemployed. By May, emergency funds of over US\$7.8 million had been provided by the federal government to assist the affected workers. The oil refinery had been not only the largest refinery in the Caribbean; it had also been one of the world's largest oil refineries, capable of producing 495,000

barrels per day (bpd). The owners decided to convert the refinery into an oil storage terminal, which will require a workforce of only 100. The closure will have a significant impact on the economy.

External trade

As an unincorporated territory of the USA the US Virgin Islands are not part of the American Free Trade Agreement (Nafta), despite its heavy reliance on imports and aid from the US. Trade with the US is either directly by air and sea, or indirect via Puerto Rico.

The principal foreign exchange earner is tourism. Hovensa, on St Croix, is one of the world's largest oil refineries; and manufacturing is the next strongest sector producing refined oil and petroleum products and rum. There is a growing financial services sector and USVI has become the home to a number of foreign sales offices.

Imports

Main imports are crude oil, foodstuffs, consumer goods and building materials.

Main sources: US, Puerto Rico

Exports

Main exports refined petroleum products, rum, petrochemicals, clocks and watches.

Main destinations: US and Puerto Rico.

Agriculture

The agricultural sector contributes around 1 per cent to GDP. The US Virgin Islands are mainly hilly with little flat land. The poor quality of the soil and lack of rain precludes large-scale cultivation. Small quantities of sorghum, fruit and vegetables are produced on St Croix and St Thomas. Cattle are the main agricultural product; a special breed of Senepol cattle hardened to the hot temperatures was developed on St Croix for meat export.

There is some commercial fishing, mainly of lobsters, but fishing is mostly for game, not commercial purposes. The typical total fish catch is over 300t, plus over 36t of other seafood, per annum.

Industry and manufacturing

The industrial sector contributes around 17 per cent to GDP. Manufacturing is better developed here than in much of the Caribbean; it is small-scale and export-based (mainly to the US). Manufacturers have the right to stamp 'Made in America' on their products. The main activities are rum distilling (3–4 million gallons per year), watch/clock assembly, ethanol refining, woollen textiles and garments.

The largest single employer is the Hovensa oil refinery on St Croix, which has a capacity of around 500,000 barrels per day (bpd).

Tourism

Tourism plays an important role in the islands' economy, with visitor numbers in

2010 reaching 691,559 (permanent population of 110,000 in 2011) and a further 1.8 million who visited by cruise ship. Travel and tourism contributed an average 30.7 per cent of GDP (2007–11), although it reached a high of 36.5 per cent in 2010; it provided employment to 34.1 per cent of the workforce (16,680 jobs) (2007–11) and matched the GDP high with 40 per cent employment (19,400 jobs) in 2010.

The positive result in 2010 was due partly because the tourist industry had rebounded as the market recovered from the economic crisis, but also as other sectors weakened and prices were more competitive and employment costs lower. Visitor revenue was US\$1.4 billion in 2007, falling to US\$1.2 billion in 2010, and remaining static in 2011.

The Department of Tourism has actively promoted the islands, particularly in the US, offering affordable packages holidays and the opportunity of visiting without the need of a passport (which most US citizens do not have).

In May 2012, Royal Caribbean International announced it was adding two cruise liners to its regular schedule to the USVI from the 2013–14 season. Apart from the current port-of-calls in St Thomas, St Croix was reinstated on the itinerary.

Hydrocarbons

There are no known deposits of hydrocarbons; all domestic needs must be met by imports mainly from Trinidad and Tobago. Consumption of petroleum products was 67,000 barrels per day in 2008. The Hovensa refinery is one of the largest in the western hemisphere and one of the world's biggest, with a capacity of around 500,000 barrels per day (bpd), located on St Croix. Less than a quarter of oil imports is consumed locally, the rest being re-exported as refined oil products, mainly to the US. In January 2012, it was announced that the Hovensa refinery would be shutdown, beginning in February with a loss of 1,018 jobs and an additional, estimated 1,200 workers from refinery contractors. The Venezuelan owners of the refinery reported US\$1.3 billion in losses from the refinery since 2009.

Any use of imported natural gas is commercially insignificant; around 288,000 tonnes of coal per annum are imported.

Energy

Total installed generating capacity was 323MW in 2006. Residents of the US Virgin Islands have a greater per capita consumption than mainland US or comparable US Pacific islands, due mainly to consumption of output from the Hovensa refinery. A three-part programme to reduce consumption per capita, enhancing energy efficiency of

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dwellings (weatherisation) and increase the use of renewable energy, was proposed in May 2009.

Banking and insurance

Central bank

Federal Reserve System

Time

GMT minus four hours

Geography

The US Virgin Islands consist of four main inhabited islands (St Croix, St Thomas, St John and Water Island) and about 50 smaller, mostly uninhabited, islands. They are situated at the eastern end of the Greater Antilles, about 64km (40 miles) east of Puerto Rico in the Caribbean Sea. These islands are volcanic in origin and have mountainous interiors.

Hemisphere

Northern

Climate

Sub-tropical with a mean annual temperature of 26 degrees Celsius. Low levels of humidity. Rainy season runs May–November.

Entry requirements

Passports

Required by all.

From 23 January 2007, all travellers arriving by air from Canada, Mexico, Central and South America, the Caribbean and Bermuda must have a biometric passport. For Canadian citizens only, under the Nexus programme entry may be achieved using an Air Nexus Card, which includes a retinal-scan.

From 23 January 2008, all arrivals, including US citizens, travelling between Canada, Mexico, Central and South America, the Caribbean and Bermuda through land borders or by sea (including ferries) must have a passport or other biometric, secure documentation as proof of identity.

Visa

US entry requirements apply; visas required by all with some exceptions under the Visa Waiver Program (VWP). This reciprocal programme allows citizens of, among others, the EU, Australasia and Japan entry without a visa if they possess a MRP and have a return/onward ticket, for business and tourist visits up to 90 days. All citizens of visa-free countries who do not have a MRP must apply for a visa. All other visitors must apply for a visa.

For all information on visas see <http://travel.state.gov/visa> and follow link to *Visa Types for Temporary Visitors* for specific business visas and extended stays.

Currency advice/regulations

The import of local and foreign currency is unrestricted; amounts over US\$10,000 (or equivalent) must be declared.

Customs

Personal items are duty-free. Alcohol and gifts are not duty-free.

Certain firearms and ammunition are allowed with a customs permit, obtained in advance.

Prohibited imports

Illegal drugs (personal medication requires a doctor's certificate); soil, plant and animal products (including endangered species); meat, poultry (fresh, dried or canned) and live fish (unless certified disease-free), their eggs (unless canned, pickled or smoked); Cuban cigars (purchased in any country); wildlife and endangered species (including hunting trophies, shells and crafted items); fireworks and hazardous material; some South American pre-Columbian artefacts; merchandise from embargoed countries and counterfeit items.

These prohibitions apply to transit passengers.

Health (for visitors)

Mandatory precautions

Yellow fever vaccination certificate if arriving from infected area.

Advisable precautions

Health insurance is strongly advised.

Adopt precautions when drinking water in rural areas. There is a bilharzia (schistosomiasis) risk when swimming – chlorinated pools are safe. Visitors should consider immunisation against hepatitis A.

Hotels

Advisable to book in advance, especially in winter months. There is an 8 per cent hotel tax. A 15 per cent tip is usual.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 6 Jan (Three Kings' Day), 19 Jan (Martin Luther King Day), 3 Jul (Emancipation Day), 4 Jul (US Independence Day), 25 Jul (Hurricane Supplication Day), 17 Oct (Virgin Islands Thanksgiving Day), 1 Nov (D Hamilton Jackson Day), 11 Nov (Veterans' Day), 25 Dec (Christmas Day).

Variable dates

President's Day (second Mon in Feb), Maundy Thursday, Good Friday, Easter Monday, Memorial Day (fourth Mon in May), Labour Day (first Mon in Sep), Columbus Day (second Mon in Oct), US Thanksgiving Day (fourth Thu in Nov).

Working hours

Banking

Mon–Fri: 0900–1430; Fri: 0900–1400, 1530–1700.

Business

Mon–Fri: 0900–1700

Government

Mon–Fri: 0800–1700.

Shops

Mon–Sat: 0900–1700. Some Sunday opening when cruise ships are in port.

Telecommunications

Mobile/cell phones

There are GSM service available.

Electricity supply

110/120V AC, 60 Hz

Getting there

Air

International airport/s: St Thomas-Cyril E. King (STT), 3km west of Charlotte Amalie, duty-free shop, bar, restaurant, bank, shops, car hire. St Croix-Alexander Hamilton (STX), 14km south-west of Christiansted.

Airport tax: None

Surface

Water: Regular ferry service with the British Virgin Islands.

Main port/s: Charlotte Amalie (St Thomas), Christiansted, Frederiksted, South Shore cargo port (St Croix).

Getting about

National transport

Air: There are frequent services between St Thomas and St Croix (by Sunaire Express).

Road: Throughout the islands there are around 800km of well maintained roads.

Buses: Public service on all main routes and group tours available.

Water: Regular ferry service between St Thomas and St John and the British Virgin Islands.

City transport

Taxis: Widely available; fixed-rate system applies but is not always strictly adhered to.

Higher charges are made for extra passengers, luggage and at night. Taxi vans usually carry multiple passengers; private taxis can be arranged for extra cost.

Car hire

A wide selection of cars is available. National licences are accepted and required. Traffic drives on the left. Speed limit is 35kph in towns and 55kph elsewhere.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for the US Virgin Islands is +1 340 followed by the subscriber's number.

Chambers of Commerce

St Croix Chamber of Commerce, PO Box 4369, Kingshill, St Croix 00851 (tel:

773-1435; fax: 773-8172; e-mail: stcroixchamber@vipowernet.net; internet: www.stxchamber.org).
St Thomas-St John Chamber of Commerce, 6 Main Street, PO Box 324, Charlotte Amalie, St Thomas 00804 (tel: 776-0100; fax: 776-0588; e-mail: chamber@islands.vi).

Banking

Banco Popular de Puerto Rico, Church St, Christiansted, St Croix, VI 00820.
First Virgin Islands Federal Savings Bank, 50 Kronprindesens Gade, Charlotte Amalie, St Thomas, VI 00803 (tel: 776-9494).

Central bank

Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington DC 20551 (tel: (202) 452-3000; fax: (202) 452-3819).

Travel information

National tourist organisation offices

USVI Department of Tourism, PO Box 6400, St Thomas, VI 00804 (tel: 800-372; internet: www.usvitourism.vi).

Other useful addresses

Department of Economic Development and Agriculture (responsible for promotion and development of tourism), PO Box 6400, St Thomas 00804 (tel: 774-8784).

Industrial Development Commission, PO Box 3499, St Croix (tel: 773-6499); PO Box 6400, St Thomas (tel: 774-8784).

Office of the Governor, Government House, 21–22 Kongens Gade, Charlotte Amalie, St Thomas, VI 00801 (tel: 774-0001).

St Croix Hotel and Tourism Association, PO Box 24238, Gallows Bay, St Croix,

USVI 00824 (tel: 773-7117; fax: 773-5883, e-mail: hax@noc.usvi.net).

St Thomas and St John Hotel Association, 4-D Contant, St Thomas, USVI 00803 (tel: 774-6835).

US Virgin Islands Economic Development Agency, 8000 Nisky Shopping Center, Suite 620, St Thomas, VI 00802 (tel: (340) 714-1700)

Virgin Islands Port Authority, Cyril E King Airport, St Thomas, VI 00801 (tel: 774-1629).

Internet sites

Tourist information: www.here.vi

US Office of Insular Affairs: www.doi.gov/oia

US Virgin Islands Guide: www.usvi.net/
US Virgin Islands Economic Development Agency: <http://www.usvieda.org/>