

logo not found or type unknown

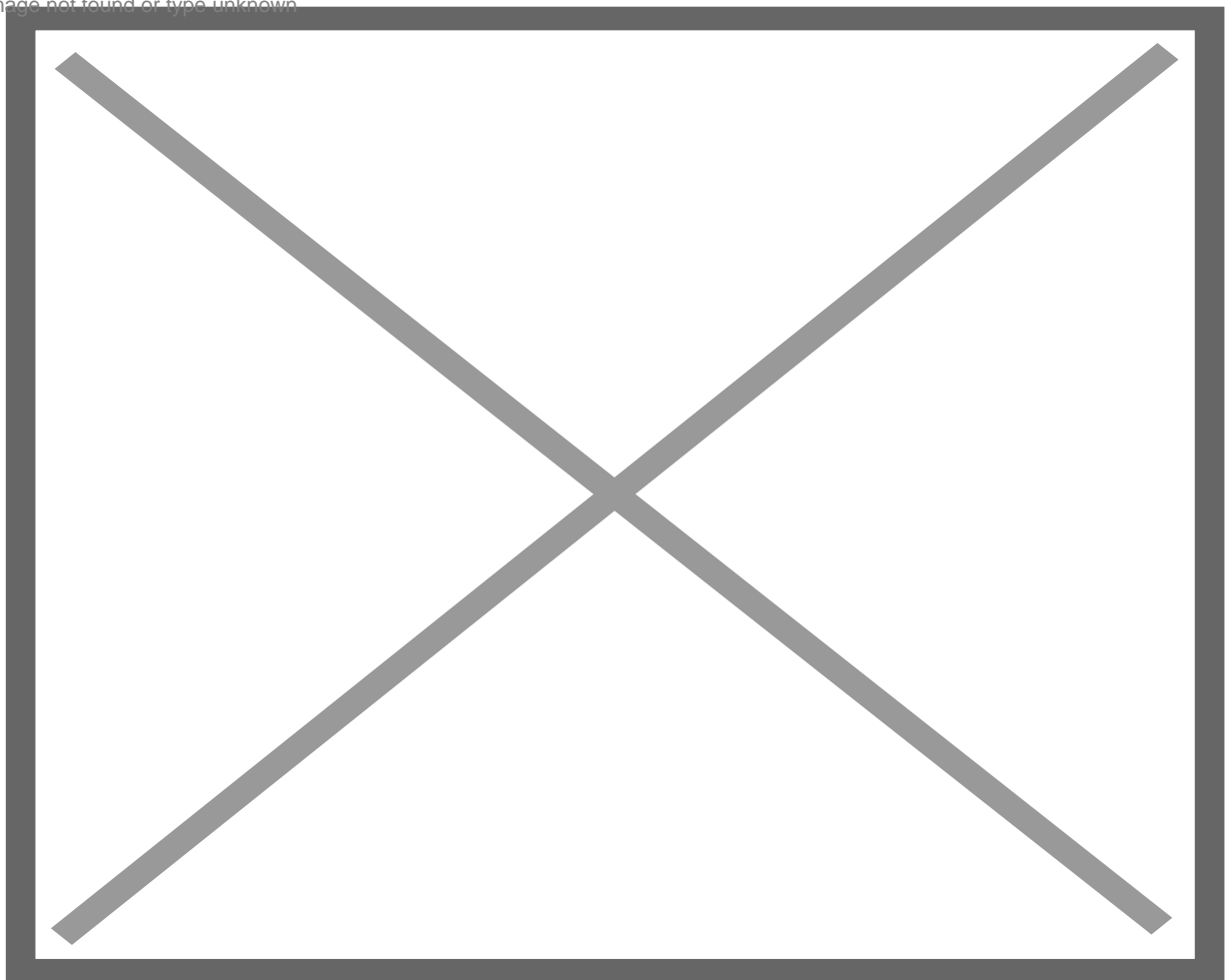
St. Croix Eyes Economic Growth with Potential Ship Repair Facility That Could Generate Up to \$73 Million Annually

A feasibility study indicates a new shipyard could substantially increase employment and economic benefits in the U.S. Virgin Islands

Economy / **Published On May 24, 2024 08:07 PM /**

Ernice Gilbert **May 24, 2024**

Image not found or type unknown



The U.S. Virgin Islands is considering expanding its maritime capabilities with a new shipyard in the South Shore Trade Zone (SSTZ) on St. Croix, according to the V.I. Economic Development Authority, which commissioned a feasibility study conducted by First Marine International, a subsidiary of Royal HaskoningDHV.

Driven by the feasibility study, the initiative explores the potential for establishing a ship repair facility that could significantly boost local economic growth.

The study, completed on May 9, 2024, reveals that such a facility could generate annual revenues ranging from \$39 million to \$73 million, depending on the docking configuration implemented. These configurations could accommodate vessels up to 574 feet, aligning with the existing infrastructure capacities of St. Croix's South Shore, including a turning basin diameter of 1,115 feet and a channel width of 295 feet .

The ship repair industry is noted for its high employment and economic multipliers due to its labor-intensive nature. The feasibility study suggests that the shipyard could sustain significantly higher levels of employment and economic generation compared to other maritime activities like shipping. This is further supported by the local and regional multiplier effects, where every job at the shipyard could potentially generate additional jobs in the local economy .

While the study concludes the economic viability of the shipyard, it recommends further evaluations concerning capital expenditures and exploring alternative funding sources before proceeding. The potential for private sector involvement and the development of a skilled workforce through local training and apprenticeships are seen as critical elements for the shipyard's success.

“The study found that ship repair is a labor-intensive industry, which sustains employment and economic benefits than general maritime activities like shipping,” said EDA CEO Biggs Jr.

“Shipyards also create significant direct and indirect income and multiplier effects, supporting local jobs and the economy. The findings of this study will enhance the South Shore Trade Zone’s attractiveness for investment in the U.S. Virgin Islands, particularly on St. Croix.”

The EDA said First Marine International was selected through a Request for Proposal bidding process.