

The Virgin Islands Consortium

EDC Companies To Contribute \$163 Million In Taxable Dollars To VI In The Next Five Years

VIC News / **Published On August 16, 2014 01:08 AM /**

Ernice Gilbert **August 16, 2014**

According to Percival Clouden, head of the Virgin Islands Economic Development Commission, over the next five years EDC companies will contribute \$163 million to the territory's tax base.

Speaking at conferences held on St. Croix and St. Thomas this week, Clouden said that the new dollars coming to the territory through the EDC program is a testament to its importance in building a sustainable economy.

"This is significant, as it shows the importance of the EDC program to the territory and its residents and it must not be treated lightly," he said.

Clouden reckoned that the reason for the EDA's success is its eligible supplier program, which pairs existing beneficiaries with small businesses for goods and services. The EDA estimates that over 75 beneficiaries have spent more than \$163 million through the program, and more than \$13 million in capital expenditures.

"We have been fortunate in that we applied for a \$13.1 million grant from the U.S. EDA to provide support to local banks, which would encourage them to open those pipes again for small businesses," Clouden said, speaking of the EDA's Government Development Bank initiative which provides capital for the V.I.'s small businesses through a partnership with SBDC. "They have been left dripping for years and it has hurt our economy."

Clouden announced that banks were lending "to the tune of approximately \$8 million," clearly bolstered by the \$13.1 million grant from the U.S. EDA.