

**ECONOMIC DEVELOPMENT, AGRICULTURE  
AND PLANNING**

**BILL NO. 31-0055**

**Thirty-first Legislature of the Virgin Islands**

**February 17, 2015**

An Act providing for a feasibility study for establishing a plant for processing local fruits and other agricultural products

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**PROPOSED BY:** Senators Myron D. Jackson

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1 *Be it enacted by the Legislature of the Virgin Islands:*

2       **SECTION 1.** (a) The Department of Agriculture in conjunction with the University of  
3 the Virgin Islands pursuant to 7 V.I.C. §16(d) (4) shall conduct or cause to be conducted a  
4 study on the feasibility of establishing a plant for the processing of local fruits and other  
5 agricultural products for local consumption and for export to be operated by the Government  
6 solely or in partnership or joint venture with a private entity.

7       (b) The feasibility study must at a minimum include:

8               (1) A market analysis that contains:

9                       (A) A survey of the market size, value and demand for the products  
10                       proposed for production;

1 (B) A projection of the ability of the plant to gain a market share  
2 locally; and

3 (C) A projection of the ability of the plant to gain sufficient market  
4 share to remain profitable past the term of investment and maintain status as a  
5 significant factor for the food production industry in the Virgin Islands;

6 (2) A technical feasibility analysis that includes information on:

7 (A) The availability of sufficient produce and other raw materials for  
8 year-round production;

9 (B) The availability of equipment for the expected production level  
10 at a reasonable cost;

11 (C) The availability of a suitable building or government real  
12 property and a description of improvements required;

13 (D) The availability of sufficient information and expertise to ensure  
14 that the products are consistently produced at the required quality;

15 (E) The availability of experienced or trained workers; and

16 (3) A financial analysis that includes information on:

17 (A) Startup costs and working capital;

18 (B) Fixed and variable production costs;

19 (C) Labor costs and availability;

20 (D) The availability and costs of services, such as water, power,  
21 shipping and waste management;

22 (E) A projection of the financial contribution of the proposed  
23 processing plant to the economic development of the Territory from the jobs  
24 and taxes obtained from the industry;

1 (F) The expected return on Government investment which the  
2 processing plant is anticipated to produce; and

3 (G) A list of interested business entities contacted, in any, for  
4 consideration as potential participants in a partnership or joint venture with the  
5 Government in the proposed processing plant.

6 **SECTION 2.** The study must be commenced no later than November 1, 2014, and  
7 completed with a full report to the Governor and the Legislature no later than October 31,  
8 2015.

9 **BILL SUMMARY**

10 Section 1 (a) of the bill directs the Department of Agriculture to conduct or provide for  
11 a feasibility study for the Government, or the Government in partnership with a private entity  
12 to establish and operate a plant for processing local produce. Title 7, section 16 (d) (4) of the  
13 Virgin Islands Code requires the Commissioner of the Department of Agriculture to develop  
14 such a program, in conjunction with the University of the Virgin Islands Co-operative  
15 Extension Service, the Department of Education, and Department of Labor to encourage the  
16 processing of local agricultural produce and products.

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18 Section 1(b) lists the information that is required to be included in the feasibility study.  
19 A market analysis, a technical feasibility analysis, and financial analysis are the major  
20 components of the feasibility study.

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22 Section 2 establishes the commencement date of the study as November 1, 2014 and the  
23 completion date as October 31, 2015.

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26 **BR15-0411/February 9, 2013/ YLT**

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