

1 **U.S. VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY**
2 **TESTIMONY BY WAYNE BIGGS, JR.**
3 **BILL NO. 35-0058**
4 **LEGISLATURE OF THE VIRGIN ISLANDS**
5 **ST. THOMAS, VIRGIN ISLANDS**
6 **MONDAY, DECEMBER 17, 2023**
7 **12:00 P.M.**

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10 **Good afternoon Chairwoman Carla Joseph, Committee on Government**
11 **Operations, Veterans Affairs, and Consumer Protection, Committee members,**
12 **other members of the 35th Legislature, other testifiers, the legislative staff, the**
13 **Virgin Islands Economic Development Authority team, ladies and gentlemen in**
14 **the viewing and listening audience.**

15 **I am Wayne Biggs Jr., Chief Executive Officer of the Virgin Islands Economic**
16 **Development Authority (“USVIEDA”). Thank you for the opportunity to testify on**
17 **Bill No. 35-0058, “An Act amending Title 29 Virgin Islands Code by adding a**
18 **chapter 25 to enact The Public–Private Partnership Agreement Act”.**

19 **The USVIEDA is in full support of Bill No. 35-0058.**

20 **A public–private partnership (PPP, 3P, or P3) is a long-term arrangement between**
21 **a government and private sector institutions. PPPs are an economic development**
22 **tool that creates a collaboration between the public sector and the private sector**

23 for the purpose of delivering a project or a service traditionally provided by the
24 public sector. PPP's main objective is to combine the skills, expertise, and
25 experience of both public and private sectors to deliver high quality services, and
26 divide the project risk between public and private sector. PPPs are based on two
27 (2) main principles: Both parties invest in the project – in a financial sense and in
28 an expertise-related sense. Typically, it involves private capital financing
29 government projects and services up-front, and then drawing revenues from
30 taxpayers and/or users for profit over the course of the PPP contract. PPPs allow
31 large-scale government projects, such as roads, airports, seaports, schools, or
32 hospitals, to be completed with private funding. These partnerships work well
33 when private sector technology and innovation combine with public sector
34 incentives to complete work on time and within budget.

35 According to the World Bank, 3Ps enable governments to procure and deliver
36 public infrastructure or services and leverage the resources and expertise of the
37 private sector – through the 3Ps' risk-sharing arrangements. When properly
38 designed and executed, P3s can create social value through on-time and on-cost
39 delivery, generating efficiency gains and offering innovation in project design,
40 incorporation of global expertise, and accessing new sources of capital.

41 **Conversely, poorly designed and executed P3s can fail to deliver on these**
42 **promises.**

43 **As previously stated, the USVIEDA supports Bill No. 35-0058. I remain available**
44 **to field questions and discuss this proposed legislation.**