

**MEMORANDUM OF AGREEMENT
BETWEEN
THE UNITED STATES VIRGIN ISLANDS
AND
U.S. CUSTOMS AND BORDER PROTECTION
REGARDING THE
VIRGIN ISLANDS DEPOSIT FUND
IN AND FOR
THE UNITED STATES VIRGIN ISLANDS
December, 2014**

WHEREAS, the United States Virgin Islands (“USVI”) is an unincorporated Territory of the United States;

WHEREAS, the USVI is located outside of the customs territory of the United States;

WHEREAS, the USVI is authorized to assess its own customs duties on certain foreign imports and under certain conditions;

WHEREAS, federal law requires the Secretary of Homeland Security and U.S. Customs and Border Protection (“CBP”) to designate the several ports and sub-ports of entry in the USVI and to make such rules and regulations and appoint such officers and employees as is deemed necessary for the administration of the customs laws in the USVI, and to fix the compensation of all such officers and employees;

WHEREAS, federal law separately allows CBP to provide certain services to the USVI upon the USVI’s request on a reimbursable basis;



WHEREAS, CBP is required to retain from its collection of the USVI customs duties its costs of collecting such customs duties and is required to transfer remaining proceeds to the USVI Treasury;

WHEREAS, CBP deposits the USVI customs duty collections into a CBP-administered U.S. Treasury account known as the Virgin Islands Deposit Fund (20X6157) (“VIDF”);

WHEREAS, the United States Customs Service, a predecessor agency to CBP, and the Government of the USVI entered into a Memorandum of Agreement, MOA No. 2X940276, effective August 8, 1994 (the “1994 MOA”), the purpose of which, as set forth in Article I thereof, was “[t]o establish a formal agreement on the methodology for determining the costs chargeable to Virgin Islands Deposit Fund 20X6157, ‘Duties Collected for the Virgin Islands Government, United States Customs Service, Treasury Department’ for operating various U.S. Customs Service (‘Customs’) activities in and for the U.S. Virgin Islands”;

WHEREAS, since the 1994 MOA was executed, the scope of federal activities and responsibilities performed by CBP in the USVI has changed:

A handwritten signature in black ink, appearing to be the initials 'CBP', located in the bottom right corner of the page.

- Pursuant to the Homeland Security Act of 2002, Pub. L. 107-296 (Nov. 25, 2002), effective March 1, 2003, certain functions of the United States Customs Service (“U.S. Customs” or “USCS”), functions of the United States Department of Agriculture, Animal and Plant Health Inspection Service (“APHIS”), and functions of the Immigration and Naturalization Service (“INS”) were transferred to the Department of Homeland Security (“DHS”) and consolidated within CBP;
- In addition to the transfer of responsibilities into DHS, the user fees and general appropriation funding sources which fund CBP’s activities to perform those additional functions and responsibilities under immigration and agriculture law have, to date, been available to defray a portion of CBP’s costs for those additional functions;
- Effective March 1, 2011, the Virgin Islands Port Authority (“VIPA”) amended its port tariff to rescind the tonnage and wharfage user fees previously collected by CBP and addressed in the 1994 MOA; and,
- CBP no longer collects these VIPA user fees; and

WHEREAS, the USVI continues to request that CBP perform pre-departure inspection of certain passengers traveling from the USVI to certain locations, and CBP continues to perform that function at the request of the USVI;

THEREFORE, the parties hereto agree to enter into this new Memorandum of Agreement (this “MOA”) as a successor agreement to the 1994 MOA.

ARTICLE I. PURPOSE

The purpose of this MOA is to establish an agreement on the administration of the VIDF, specifically: (i) identifying the USVI customs duties (“USVI Customs Duties”) as the source of the revenue that shall be deposited into the VIDF; (ii) identifying the CBP costs of collecting USVI Customs Duties as the costs for which CBP may be reimbursed from the VIDF; (iii) describing the methodology for determining, calculating, and allocating the costs for which CBP may be reimbursed from the VIDF; (iv) providing for CBP reporting and accounting of VIDF deposits, uses, reimbursements, and payments to the USVI; and (v) providing a mechanism for agreeing upon and providing additional CBP services requested by the USVI to be performed on a reimbursable basis.

ARTICLE II. CBP COLLECTION OF USVI CUSTOMS DUTIES

CBP collects the USVI Customs Duties and CBP deposits the collections into the VIDF in a timely fashion.

ARTICLE III. REIMBURSEMENT FROM THE VIDF

CBP

1. **CBP reimburses itself from the VIDF for its costs of collecting the USVI Customs Duties. The following categories of activities constitute reimbursable direct costs of collecting such duties (“VIDF Reimbursable Activities”):**
 - (i) **Pay and compensation costs for the portion of the following activities incurred to collect USVI Customs Duties:**
 - a. **Customs processing of international air passengers (inbound foreign arrivals from outside the U.S., Puerto Rico, and other U.S. territories), their goods, and their conveyances;**
 - b. **Customs processing of international ferry passengers (inbound foreign arrivals from outside the U.S., Puerto Rico, and other U.S. territories), their goods, and their conveyances;**
 - c. **Customs processing of international private boats;**
 - d. **Customs processing of international cruise ship passengers (inbound foreign arrivals from outside the U.S., Puerto Rico, and other U.S. territories), their goods, and their conveyances;**
 - e. **Customs processing of inbound foreign and domestic sea and air cargo and their conveyances;**
 - f. **Customs processing of international mail and its conveyances arriving directly into the USVI;**
 - g. **Customs enforcement operations to ensure USVI duties are not evaded; and,**
 - h. **Customs processing of outbound passengers, conveyances, and cargo, if necessary to enforce compliance with USVI customs laws.**
 - (ii) **Non-pay costs for the portion of the activities in Article III (1)(i) incurred to collect USVI Customs Duties.**
 - (iii) **Pay and compensation and non-pay costs to perform services in accordance with Article VII of this MOA and as set forth and memorialized from time to time in specific Addenda to this MOA (defined below):.**
 - a. **These services may also be funded by other sources as identified in applicable Addenda.**
 - b. **Although the activities contemplated in this section do not involve the cost of collecting USVI Customs Duties, where the USVI requests that CBP reimburse its costs of these activities, CBP will reimburse itself from the VIDF prior to remitting remaining balances of the collections to the USVI Treasury for the sake of convenience.**
2. **CBP calculates the reimbursable costs of VIDF Reimbursable Activities as follows (“VIDF Reimbursable Costs”):**
 - (i) **For pay and compensation costs, by using supporting cost data provided by CBP’s activity-based costing (“ABC”) systems and methodologies to affirmatively identify costs of VIDF Reimbursable Activities.**
 - (ii) **ABC assigns both direct and indirect costs to VIDF Reimbursable Activities. CBP uses a process that leverages aggregate data for each location.**

- (iii) For non-pay costs, by affirmatively identifying and allocating the portion of such costs that are costs of VIDF Reimbursable Activities. CBP uses supporting cost data provided by ABC systems and methodologies to identify costs of VIDF Reimbursable Activities.
 - (iv) For costs for services requested by the USVI on a reimbursable basis, in accordance with specific cost provisions in applicable reimbursable service Addenda, or, in the absence of specific cost provisions, using supporting cost data provided by CBP's ABC systems and methodologies to identify costs for reimbursement.
- 3. In accordance with federal law, CBP does not use the VIDF to fund non-VIDF Reimbursable Activities or for reimbursement of any costs other than VIDF Reimbursable Costs as described in this document. CBP does not use the VIDF to set off or secure unliquidated obligations that are not in support of the collection of USVI Customs Duties or other USVI requested reimbursable services, pursuant to Article VII.
- 4. CBP, taking into account its fixed costs, will continue to utilize business transformation initiatives, automation, modernization, and other efforts to achieve cost efficiencies and prevent excessive costs with regard to USVI Customs Duties collections in providing customs services to the USVI. The USVI, whenever feasible, will continue to partner with CBP in these efforts to improve services and achieve cost efficiencies.
- 5. CBP's current ABC systems employ, among other things, codes designed to accurately account for time spent on specific activities. During the first full fiscal quarter following the signing of this MOA (January 2015- March 2015) CBP will conduct a detailed review of the codes in use in the USVI as they pertain to the USVI Reimbursable Activities and Costs in this MOA, including the appropriateness and accuracy of the codes in practice. CBP will provide the USVI the opportunity to observe an actual representative sample of the field review on site (absent the inclusion of information that may be designated as sensitive and not subject to disclosure) and CBP will provide the resulting evaluation report to the USVI.

ARTICLE IV. TRANSFER TO USVI TREASURY

- 1. After deducting amounts described by Article III, CBP transfers the balance of the VIDF to the USVI Treasury within 90 days of the conclusion of each fiscal quarter.
 - (i) Due to the close of the federal fiscal year on September 30, CBP may use estimates for pay and compensation costs in the final month of the fiscal year, depending on the timing of costs posting in its financial systems. If CBP uses such estimates, CBP provides both its methodology for calculating such estimates and the calculations themselves to the USVI in advance and provides USVI reconciled information within 90 days after the end of the applicable quarter.
 - (ii) In the second quarter of the fiscal year following the signing of this agreement, CBP and the USVI will evaluate the feasibility of remittances on a more frequent basis.

ARTICLE V. PAYMENT FOR VIDF REIMBURSABLE COSTS

CBP does not subsidize any USVI operations or activities that represent VIDF Reimbursable Costs as described in this document. In the event that the total VIDF Reimbursable Costs in a fiscal year show that an over-remittance of VIDF collections was made to the USVI in the first three quarters of that fiscal year, the USVI will endeavor to return the over-remittance to CBP within 75 days of the conclusion of that fiscal year and, in all events, the return will be complete within 90 days of the conclusion of that fiscal year.

ARTICLE VI. REPORTING

CBP accounts for and reports all collections, disbursements, and costs described herein, and ensures the proper, accurate, and timely recording and reporting of all transactions related to VIDF Reimbursable Costs described herein.

1. **Quarterly Reports.** Within 90 days of the close of each fiscal quarter, CBP prepares a Quarterly VIDF Report that includes the following information:
 - (i) monthly and year-to-date USVI Customs Duties actual collections and projected collections, to include any change in projected collections as identified in the course of a fiscal year;
 - (ii) current monthly and fiscal year actual and projected VIDF Reimbursable Cost data, including:
 - o VIDF Reimbursable Costs;
 - o funds transferred to the USVI Treasury;
 - o available funds at quarter-end; and
 - o any additional explanatory statements.
 - (iii) current monthly and fiscal year actual ABC percentage allocations and costs between customs, immigration, agriculture, and pre-departure related activities.
 - (iv) the USVI may request additional details or supporting information related to VIDF Reimbursable Costs and CBP provides such information in a reasonable time, subject to such protections for sensitive confidential information as CBP deems necessary.
 - (v) a listing of unliquidated obligations, listed by category, year of obligation/aging, and with designations/explanations as to why the obligations remain.

The Quarterly VIDF Report is distributed, through the CBP National Finance Center to the USVI Department of Finance and the USVI Office of Management and Budget.

2. **Use of Trend Analysis.** CBP uses trend analysis in conjunction with economic indicators

to forecast future collections. Trend analysis is principally used to determine the periods within the fiscal year where travel volumes are affected by seasonal fluctuations. In developing forecasts, CBP uses numerous sources and focuses mainly on demand side factors, such as anticipated economic growth and inflation. These factors are weighted and applied against trade and travel, Gross Domestic Product, and anticipated economic vitality of a region. The USVI designates a representative to communicate with a CBP collections projection representative to coordinate regarding trend analyses and economic indicators and/or changes or anomalies in USVI tourism and trade that enables CBP to continue to refine the projections for the collection of USVI Customs Duties and VIDF Reimbursable Costs.

3. If at any time CBP becomes aware that the VIDF may be insufficient to fund projected or actual VIDF Reimbursable Costs, CBP promptly notifies the USVI.
4. Not less than 5 days after each Quarterly VIDF Report is completed, CBP distributes the ACSR-CL-134 Monthly Report of Collections to the USVI Bureau of Audit and Control (national and OFO totals), and the DFO, San Juan Field Office (national totals).
5. CBP regularly monitors unliquidated obligations for VIDF Reimbursable Costs between the quarterly reporting cycles and liquidates obligations established for CBP collection of USVI Customs Duties in a timely manner and in accordance with federal accounting statutes and regulations governing unliquidated obligations. In the event of external factors outside of CBP's control that prevent or delay prompt liquidation, CBP promptly informs the USVI of the delay and provides an explanation for the delay in the next Quarterly Report.
6. The parties acknowledge that the allocation of CBP activity costs among activities previously performed by USCS, INS, and APHIS varies based upon workload, enforcement activity, threat profiles, and other factors. In order to respond to developing threats or workload requirements, the allocation of CBP resources is subject to change over time; however, the percentage allocations of these activities are reported in the Quarterly Reports and, in the event that they begin to change significantly, changes can be addressed by the Parties as provided for in this MOA.
7. CBP retains all Quarterly VIDF Reports and their supporting documentation for the period required by applicable U.S. statutes governing federal retention of documents, but in any case for not less than 3 years. This obligation is noted herein to acknowledge that the retention of these documents in accordance with U.S. law will also facilitate any future reviews and audits of the VIDF by the CBP/USVI Consultative Group (as defined in Article IX below).
8. CBP and the USVI cooperatively review the matters referenced in this Article via the mechanisms set forth in Article IX.

ARTICLE VII. CBP REIMBURSABLE SERVICES

1. This article is intended to mutually define the expected relationship, scope, and procedures for the Government of the USVI through the Governor or designee, the "Requestor", to request reimbursable services under 48 U.S.C § 1469c, for CBP to consider such requests through CBP's San Juan Field Office, and the mechanism for the parties to memorialize the terms of agreed upon requests, as may be agreed upon from time to time in addenda to this MOA. Each party may, from time to time, appoint additional designees to act on its behalf for purposes of requesting services pursuant to this article by sending advanced written notice to the other party.
2. The CBP services to be reimbursed by the Requestor will only include those reimbursable costs in excess of that which CBP would have regularly provided at the location under existing resource, budget, and operating conditions ("New or Additional CBP Services"). The New or Additional CBP Services to be provided may not include those current services as detailed in the Annex and CBP's costs to provide customs pre-departure inspections commensurate with current service levels, at the existing locations in the USVI where such services are provided at the request of the USVI as of the date of this agreement, as further detailed in an annex to this MOA stating current service levels ("Annex"). New or Additional CBP Services may not include CBP's costs to collect USVI Customs Duties as required by federal law and deducted from collections deposited into the VIDF.
3. The New or Additional CBP Services to be provided under this MOA may include, but are not limited to, primary inspections processing, secondary inspections processing, baggage control, border security services, agricultural processing, and any enforcement or administrative functions necessary to support increased inspectional activities as requested under this MOA. Services may be performed in any area of the designated port of entry or any place where CBP personnel have the authority to perform their duties. Such services may even include the hiring and training of new CBP employees required as a result of any requested services. The New or Additional CBP Services may also include new or enhanced pre-departure inspection of air passengers departing the USVI for the Continental United States or Puerto Rico.
4. CBP will not provide New or Additional CBP Services that would unduly or permanently impact other services funded by an appropriations act or any other account derived by the collection of U.S. federal fees. CBP will not provide New or Additional CBP Services where adequate facilities do not exist.
5. The agreed upon New or Additional CBP Services will be promptly memorialized in addenda to this MOA (each "Addendum" and collectively "Addenda"). The Requestor agrees to obtain the advance written concurrence of the relevant port authority (or other entity with control over the facility where the New or Additional CBP Services are being requested) before requesting any such services of CBP and further agrees to include a copy of such concurrence in its request to CBP. The Requestor agrees to reimburse CBP for all reimbursable costs authorized and agreed in such Addenda and agrees to CBP's deduction of such reimbursable costs from the VIDF when requested in Addenda hereto. In the event that a reimbursement from the VIDF is issued, but the full eligible costs of

Article VII reimbursements for the entire fiscal year exceed the available balance in the VIDF, the USVI reimburses CBP within 90 days of such notification by CBP.

6. The following procedures apply to all requests for reimbursable services:
 - (i) The Requestor will provide CBP with a request for reimbursable services at least three (3) calendar days prior to the date of commencement of services.
 - (ii) The Requestor will submit requests for reimbursable services to the Director, Field Operations, San Juan Field Office, Assistant Director, Mission Support, San Juan Field Office, Area Port Director, USVI, and Port Director, St. Croix, as soon as the nature of the service request is known.
 - (iii) CBP will review and evaluate each request based on the availability of resources and mission priorities. CBP will return an electronic response with an estimate of expected cost and means of providing the requested service and an approval or denial to the USVI Governor or designee. The Requestor may respond to CBP's estimates and may resubmit revised requests and/or proposals, including requests to initiate service subject to an interim and/or periodic cost re-evaluation process.
 - (iv) In the event it is necessary for the Requestor to make an urgent request, the Requestor will submit such a request as soon as practicable. If CBP is not given adequate time to consider a request, CBP may not be able to approve the request for services.
 - (v) In the event it is necessary for the Requestor to reduce or cancel any previously approved request for services for any reason, the Requestor will make every effort to notify CBP of its desire to cancel or reduce at least 24 hours prior (or as specifically identified in the applicable Addenda) to the commencement of services under the previously approved request. Notifications by the Requestor and responses by CBP will be completed using the designated contacts noted above.

CBP mission-related emergencies may require adjustments and/or interruption of previously agreed-upon New or Additional CBP Services.

ARTICLE VIII. CBP ACTIVITIES AND COLLECTION OF CBP FUNDS UNRELATED TO THE VIDF

1. Outside of those collections referenced in this document, CBP also collects other fees under a host of other statutes and regulations governing CBP fees, revenue, and operations, including, but not limited to: fines and penalties, Agriculture and Quarantine Inspection fees, Immigration Inspection User Fees, customs user fees required by the Consolidated Omnibus Budget Reconciliation Act of 1985, Electronic System for Travel Authorization, Global Entry Enrollment, and Land Border Inspection Fees. These funds may be utilized in the USVI in accordance with those statutes and regulations which

govern their use. However, CBP's use of these other fees is in no way described within this agreement. CBP currently provides a general reporting of all of its user fees and reimbursable accounts to the United States Congress on an annual basis and provides a courtesy copy of this document to the USVI as well, once formally delivered to Congress, so long as any information designated as sensitive is redacted; though in the event that law enforcement sensitive information is included a sanitized version is provided.

2. CBP fees collected under these statutes are not be deposited into the VIDF, and the funds in the VIDF are not be utilized to fund non-VIDF Reimbursable Activities or Costs. CBP Activities in the USVI are funded in accordance with the federal statutes and regulations which govern CBP's funding and the use of applicable user fees.

ARTICLE IX. COOPERATION AND DISPUTE RESOLUTION

1. A CBP/USVI Consultative Group will consist of representatives designated by each party that, whether individually or collectively for such party, have sufficient authority to resolve issues or disputes not requiring amendment of this MOA.
 - (i) Each party designates a primary and secondary point of contact, either of which may change at any time with notice to the other party. The secondary point of contact is responsible for serving in the place of the primary point of contact should the latter be unavailable for any reason.
2. In the event that an issue or disagreement arises under this MOA, the parties work cooperatively to resolve it, as follows:
 - (i) Initially, representatives of the CBP field office and the USVI endeavor to cooperatively resolve such issues or disagreements at the local level.
 - (ii) If, upon the determination of either party, an issue or disagreement first raised at the CBP field office level cannot be resolved at that level, then upon request of that party the issue or disagreement is addressed by the CBP/USVI Consultative Group.
 - (iii) The CBP/USVI Consultative Group endeavors to commence consultations within 20 days of the receipt of a request by either party to convene the Consultative Group.
 - (iv) If the CBP/USVI Consultative Group fails to resolve a matter within the earlier of (i) 30 days from commencement of the consultations pursuant to Article IX(2)(iii), or (ii) 50 days from receipt of the request to convene pursuant to Article IX(2)(ii), unless otherwise mutually agreed, the affected party may request in writing a meeting of signatories of this MOA within 30 days, which the parties will not unreasonably delay or deny.



ARTICLE X. AMENDMENTS

Any change, modification, or amendment of this MOA will be documented in writing and signed by both parties. Reimbursable services Addenda contemplated by this MOA may be entered into and rescinded from time to time as provided for in this MOA. Where a conflict between this MOA and the Annex and/or any Addenda emerges, the terms of this MOA will govern.

ARTICLE XI. IMPLEMENTATION AND REVOCATION

This MOA supersedes the 1994 MOA in its entirety. This MOA is effective upon the signatures of the duly authorized representatives of CBP and the USVI. This MOA terminates (i) 180 days following written notice of termination by either party to the other party, or (ii) 130 days following a written meeting request to resolve a matter pursuant to Article IX(2)(ii) that remains unresolved 130 days after such request. This MOA sets forth the understanding of the parties with respect to the matters set forth herein. This MOA does not obligate funds or create a financial or legal obligation between the parties. This MOA does not create or confer any right or benefit on any person or party, private or public. All activities contemplated by this MOA are subject to the availability of funds and the necessary resources to the parties.

ARTICLE XII. COUNTERPARTS

This MOA may be signed by the parties in separate counterparts (by original or facsimile signature) each of which so signed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement.

IN WITNESS WHEREOF, the undersigned have executed this MOA as of the dates indicated by each signature.


United States Department of Homeland Security
U.S. Customs and Border Protection



Commissioner


2 JAN 15
Date

Government of the United States Virgin Islands



Governor

12/31/2014
Date

**ANNEX TO THE
MEMORANDUM OF AGREEMENT
BETWEEN
THE UNITED STATES VIRGIN ISLANDS
AND
U.S. CUSTOMS AND BORDER PROTECTION
REGARDING THE
VIRGIN ISLANDS DEPOSIT FUND
IN AND FOR
THE UNITED STATES VIRGIN ISLANDS
December 2014**

I. INTRODUCTION

U.S. Customs and Border Protection (“CBP”) is America’s frontline, protecting the nation from threats to our safety and economy and preventing terrorist and terrorist weapons from entering the United States and its territories. At the ports of entry, CBP’s Office of Field Operations (“OFO”) secures the flow of people and goods into and out of the country while facilitating legitimate travel and trade.

VIDF Reimbursable Activities are described in the Memorandum of Agreement signed by designated representatives of CBP and the USVI Government on December 31, 2014 (“MOA”). This Annex further describes current services and activities as conducted by OFO in the U.S. Virgin Islands (“USVI”), to include the islands of St. Thomas, St. Croix, and St. John, at the time of the signing of the MOA.

II. CURRENT SERVICES DEFINITIONS

“Current services” means the current operational capabilities of CBP in the USVI based upon staffing and financial resources, workload, and threat levels. These current services may be subject to change due to appropriations and budgeting conditions wherein, for example, CBP may need to make staffing and resource adjustments for ports of entry. As a result, all descriptions of current services in this document, including schedules and times, are subject to change at CBP’s sole discretion. CBP may expend, within its sole discretion, its resources in a reasonable manner.

III. CURRENT SERVICES DESCRIPTIONS

A. Passenger Air – International Inbound

All persons arriving at a port of entry (air and sea) in the USVI from a foreign country are subject to inspection by CBP Officers (“CBPOs”) and CBP Agriculture Specialists. CBPOs and CBP Agriculture Specialists are responsible for ensuring that arriving passengers comply with all U.S. Immigration, USVI Customs, and U.S.

Agriculture laws and regulations. Each arriving traveler from a foreign location must complete a CBP declaration as well as other entry forms required by applicable U.S. federal Customs, Agriculture, and Immigration laws. Currently, foreign arrivals and departures to and from the USVI are processed in the same manner as any other port of entry in a Continental United States (“CONUS”) location.

- 1. Cyril E. King Airport, St. Thomas
Commercial Air Passengers/Crew in FY14 = 60,148**
- 2. Henry E. Rholsen Airport, St. Croix
Commercial Air Passengers/Crew in FY14 = 15,415**

B. Passenger Air Pre-departure

Travelers destined to CONUS or Puerto Rico locations on non-stop flights are currently being processed at two international airports located in the USVI, in both St. Thomas and St. Croix. This process is called “pre-departure inspection” and is conducted by CBPOs and CBP Agriculture Specialists before passengers board aircraft heading to CONUS or Puerto Rico.

- 1. Cyril E. King Airport, St. Thomas
Commercial Air Passengers/Crew in FY14 = 688,118**
- 2. Henry E. Rholsen Airport, St. Croix
Commercial Air Passengers/Crew in FY14 = 161,500**

C. Passenger Sea – International Inbound

Seaport Operations consist of the processing of cruise-line vessels, ferries, and private boats (and their passengers and crew) arriving into any of the three islands (St. Thomas, St. John, and St. Croix) from foreign locations.

1. Ferry

Several ferry boats are currently operating between the British Virgin Islands (BVI) and the Edward Wilmoth Blyden Marine Terminal in St. Thomas or the St. John CBP Terminal. These ferries conduct daily excursions for tourist travelers to and from the BVI. They also serve as mode of transportation for daily commuters to the USVI, as well as students of the University of the Virgin Islands.

- 1. St. John, USVI
Ferry Passengers in FY14: St. Thomas =137,125**
- 2. Blyden Terminal, St. Thomas, USVI
Ferry Passengers in FY14: St. John = 91,751**

2. Private Boat

Private boaters arriving from foreign countries must report their arrival to CBP in the USVI. As part of the CBP comprehensive effort to improve the security of our nation's borders while enhancing legitimate travel, including boaters, CBP has implemented the Small Vessel Reporting System (SVRS) to facilitate the reporting process for arriving boaters and expedite the clearance of their vessels. SVRS is a web-based, automated on-line reporting system that has significantly transformed and simplified the report requirements; however, the law still requires CBP personnel to be physically available at the various ports of entry for certain purposes.

1. St. John, USVI

Vessels/Small Boats in FY14: St. Thomas = 2,580

2. Blyden Terminal, St. Thomas, USVI

Vessels/Small Boats in FY14: St. John = 4,780

3. Yacht Heaven Marina, St. Thomas, USVI

Gallows Bay, St. Croix, USVI

Vessels/Small Boats in FY14: St. Croix = 656

3. Cruise

CBP conducts inspections of cruise-line passengers and crew arriving in the USVI. Cruise-line companies such as Carnival, Norwegian, Disney, Royal Caribbean, Seaborne, Celebrity, and Princess are currently operating in the Caribbean and listing St. Croix and St. Thomas as ports of call.

1. St. Thomas, USVI

Vessels/Small Boats Passengers in FY14: St. Thomas = 1,775,506

2. St. John, USVI

Vessels/Small Boats Passengers in FY14: St. John = 21,506

3. St. Croix, USVI

Vessels/Small Boats Passengers in FY14: St. Croix = 7,907

D. Trade, Cargo, and Conveyance – Inbound

Cargo Operations consist of the processing of all cargo arriving into any of the three islands (St. Thomas, St. John, and St. Croix) from foreign and domestic. It covers airport and seaport cargo.

CBP's Reimbursable Activities are detailed in the MOA. CBP also processes this inbound trade, cargo, and conveyances for enforcement of U.S. Agriculture and Immigration laws upon arrival at ports of entry within the USVI.

Many of the trade-related automation applications used by CBP in CONUS cannot be used in the USVI. As such, most cargo and trade transactions are done manually by CBP staff to ensure compliance with national and local requirements such as specific federal agricultural quarantines. CBP Officers, Import Specialists, Entry Specialists and CBP Technicians have to manually process almost all documentation and data related to the entry process.

1. Sandfill Cargo Building, St. Thomas
Containers in FY14 = 3,565; Entry Summaries = 20,954
2. HER Cargo Office, St. Croix
Containers in FY14 = 5,487; Entry Summaries = 10,047