



BUSINESS OPPORTUNITIES IN THE NORTHERN MARIANA ISLANDS

THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS: BUSINESS MECCA OF THE PACIFIC

Nestled close to the Asian continent, the Northern Marianas Archipelago, a chain of 14 tropical islands located in the Western Pacific, has played a significant role in the affairs of major world powers for many years given its strategic location. Since the age of the galleon, powerful nations have recognized its military value and until recently was one of the United States best kept secrets. Since then, many business investors have followed their military predecessors and now also see the potential these islands possess. For not only is it a strategic site for military planners but also a key point to do business as well, given its location and political status. Under the Covenant to establish a political union with the United States of America The Commonwealth of the Northern Mariana Islands (CNMI) is the youngest member of the American Political family and for all intents and purposes a gateway for trade and commerce to and from Asia.

Living in the Northern Marianas, one can experience year-round summer temperatures with all of the sophisticated amenities of a tourist resort area with a “small town” appeal, traditional family values, and friendly inhabitants. The CNMI encourages a free competitive marketplace in which businesses operate with minimal constraints. The NMI is quickly growing as a major international business player in the Pacific Rim.

With the beautiful, scenery as a backdrop, tourism has been a driving force that has helped develop the Northern Marianas. However, to say that the NMI is strictly a tourist island would be telling only half the picture. In reality, a wide range of other business opportunities exist and thrive in the Northern Marianas. A few of the significant investment incentives and advantages for businesses include:

- The protection of individual and corporate rights through the American judicial system and U.S. laws, including those that relate to copyright, trademark, patent regulations and the protection of intellectual property;
- Trading in U.S. dollar currency with no restrictions on repatriation of profits or capital;

- Significant tax advantages for executives and all employees on Northern Marianas sourced income;
- Tax rebates and/or abatements offered to approved investments under the Qualifying Certificate Program administered by the Commonwealth Development Authority;
- Ports that are free of the United States Customs duties;
- Local control over immigration and minimum wage;
- Duty free status for certain eligible goods to be exported to the United States;
- Favorable tariff treatment for qualified exports to other countries;
- Reliable, scheduled ocean shipping services and exemption from the Federal “Jones Act,” which allows foreign flag vessels to enter CNMI ports;
- Exemption from U.S. vessel documentation laws for companies licensed in the Northern Marianas;
- State-of-the-art telecommunications linked by undersea fiber optic cable to worldwide facilities.

As you read through the following text of this investment guide, keep in mind that the CNMI Government is committed to promoting a business friendly policy to ensure that you, the investor, receive the Class A treatment which we feel you deserve. Your patronage is important to us and at anytime if you wish to contact us please do not hesitate to do so. Our contact information is as follows:

Tel: (670) 664-3000/664-3003/664-3015/664-3018
Fax: (670) 664-3067
E-mail: commercedept@pticom.com
nmiecondev@yahoo.com
Website: www.commerce.gov.mp



COMMONWEALTH PROFILE

Government Leaders

Governor	Benigno R. Fitial
Lt. Governor	Timothy P. Villagomez
President of the Senate	Joseph P. Mendiola
Speaker of the House of Representatives	Oscar M. Babauta
U.S. Resident Representative	Pete A. Tenorio

General

<i>Number of Islands</i>	14
<i>Number of Inhabited Islands</i>	6
<i>CNMI Land Area</i>	176.5 sq. miles
<i>CNMI Water Area</i>	264,000 sq. miles
<i>Average Temperature</i>	85°F
<i>Average Monthly Rainfall</i>	5.4 inches
<i>Population (2000)</i>	69,221
<i>Population Growth Rate (1995-2000)</i>	3.24%
<i>Main Languages Spoken</i>	English, Chamorro, Carolinian, Chinese, Filipino, Korean, Japanese, other Pacific Island languages
<i>Currency</i>	U.S. Dollar
<i>Gross Island Product (GIP)</i>	\$948,000,000.00
<i>Per Capita GIP</i>	\$12,638
<i>Primary Industries</i>	Tourism and Garment Mfg.
<i>Total Labor Force</i>	44,471
<i>U.S. Citizens in Labor Force</i>	8,621
<i>Non U.S. Citizens in Labor Force</i>	34,132
<i>Employed Labor Force</i>	42,753

Sources: CNMI Department of Commerce; Census 2000, 2002 CNMI Statistical Yearbook, 2002 GIP Estimate.

Sources: CNMI Department of Commerce; Census 2000, 2002 CNMI Statistical Yearbook, 2002 GIP Estimate.



Qualifying Certificate Program

The CNMI Government, through the Commonwealth Development Authority (CDA), offers tax based investment incentives. The Qualifying Certificate Program grants tax relief by way of rebates and/or abatements to qualified investors. The QC Program includes but is not limited to the following activities:

- franchise restaurants;
- water parks;
- aquariums;
- cultural centers;
- theme parks;
- resort hotels and condominiums;
- golf courses;
- convention centers;
- dinner theaters;
- call centers;
- special events such as conventions and sporting events;
- CNMI based airlines and other aviation related activities;
- Manufacturing or processing of high technology products and;
- Internet related businesses and/or businesses engaged in internet commerce.

Qualified investors may receive up to 100% in rebates and/or abatements on CNMI taxes including business gross revenue taxes, income taxes, capital gains taxes, excise taxes, developer infrastructure taxes, and alcoholic beverage taxes. Tax relief may be for periods of up to 25 years.

Impact on existing industries, locations of proposed activities, creation of new employment, import substitution, and impact on consumer prices are among the many factors considered in the determination of benefits granted.

For more information on program requirements or other details, contact CDA at (670) 234-6245 or visit their website at www.cda.gov.mp.

Commonwealth Free Trade Zone Authority

Businesses, commercial or industrial, may qualify to operate in the new free trade zones in the CNMI. Qualifying businesses can avail:

- exemption from payment of business gross revenue tax imposed by the government for a period of up to 20 years;
- exemption from payment of excise taxes up to 20 years on the importation of capital equipment, machinery specifically designed and used exclusively for hauling and loading cargo and spare parts, into, within, and out of the free trade zones;
- exemption from payment of excise taxes up to 20 years on raw materials and goods brought into the free trade zones for processing;
- entitlement to a rebate on CNMI sourced income in the amount to be determined by the Free Trade Zone Authority and for a period up to 20 years;
- exemption from Developer Infrastructure Tax on the construction of buildings or infrastructure within the free trade zones; and
- attractive and inexpensive rates for leasing public land.
- Exemption from income taxes, export taxes or user fees in amounts of up to 100% for periods of up to 20 years.

Free trade zones are located at Saipan International Airport and other areas on the islands of Tinian & Rota. The CNMI government is currently funding the Free Trade Zone Authority.

Regular Term Entry Certificate

A Regular-Term Business Certificate authorizes and entitles foreign investors to lawfully engage in business and stay in the CNMI for up to 90 days within a 12-month period. The certificate holder can also, during the duration of the certificate, apply for a Long-Term Business Entry Certificate provided that the applicant meets all the necessary requirements and conditions.

Long-Term Business Entry Certificate

A Long-Term Business Entry Certificate allows the business owner and dependents (under 21 years of age) to enter and exit the CNMI freely, as long as the certificate is valid. Renewal applicants must maintain the same general rules, regulations and standards of issuance.

Foreign Investment Certificate

The foreign investment certificate and foreign investment visa are documents issued to foreign investors who have met all the standards and conditions set forth by the Secretary of Commerce pursuant to law.

The duration of the foreign investment certificate shall be perpetual, provided that the approved investor continues to comply with the standards of issuance.

Foreign Retiree Investor Certificate

The Retiree Investor Certificate Program provides incentives for non-resident (alien) retirees over the age of fifty-five (55) who want to obtain "Entry Visas" to enter the CNMI. The Entry Visa is valid for five (5) years and is automatically renewable upon evidence that the visa holder complies with all requirements specified under the law.

For more information on any of the above-mentioned certificates or for general business license questions, please contact us at the One Start Licensing Office of the Department of Commerce at (670) 664-3018/3015/3001, log on to www.commerce.gov.mp, or send your inquiry to Caller Box 10007, Saipan, MP 96950.

Export Duty to the U.S.

The U.S. Congress has extended the duration of the program for the General System of Preferences (GSP) to the Commonwealth of the Northern Mariana Islands. Manufacturers in the CNMI, while benefiting from General Headnote 3(a), are also eligible for the export benefits provided by the program. Please also see the section on General Headnote 3(a) for more information.

Of the numerous nations, which are, signatory to the GSP, Australia, New Zealand and Japan are the closest countries which Commonwealth manufacturers of qualified products can benefit from reduced import tariffs in the recipient countries. With the exception of certain products, tariff reductions of up to 50 percent are allowed.

Visitor Entry Permit

A Visitor Entry Permit is required for entry by non-U.S. citizens who are seeking to enter the CNMI for tourism or business purposes. The term "tourism purposes" is defined as traveling for pleasure or recreation by an alien who has a residence in a foreign country and has no intention of abandoning his country and

who is visiting the Commonwealth of the Northern Mariana Islands temporarily for business, pleasure or recreation. Such visitors shall not include those visiting the Commonwealth for purposes of work, or for other purposes requiring an Authorization For Entry.





Export Assistance

The United States has an obligation under the Commonwealth's agreement to seek favorable treatment for exports from the Northern Marianas to foreign countries and to encourage other countries to consider the Northern Marianas a developing territory. This obligation on the part of the United States may possibly result in trade advantages for the CNMI, as there is a waiver provision in the General Agreement on Tariffs and Trade (GATT) which would allow preferential treatment of goods exported from the CNMI.

Certain articles shipped from the United States to the CNMI are free of certain federal excise taxes. The Covenant does permit the United States to levy excise taxes on goods manufactured, sold or used, or services rendered in the CNMI in the same manner and to the same extent, as such taxes are applicable to the U.S. Territory of Guam. The proceeds from such taxes, when and if imposed, will be given to the Northern Marianas government by the federal government. The CNMI, if it so desires, can rebate the funds to the business source.

Exports from the Northern Marianas destined for the U.S. market are exempt from the 22 percent surtax imposed on imports to the United States. As a U.S. insular possession, the CNMI is eligible for Caribbean Basin Initiative treatment on products exported under the U.S. Tariff Schedule.

The user fee levied by the Government of the CNMI is 3.5 percent of the gross value of merchandise and is levied when certification for export under General Headnote 3 (a) treatment is made by the CNMI Government.

Export Sales Tax (User's Fee)

Any person engaged in the sale of goods, resources, food or agricultural products exported from the Commonwealth is exempt from any tax levied by the CNMI on the gross revenue derived solely from such export sales.

General Headnote 3(A)

Businesses located in the Commonwealth of the Northern Mariana Islands (CNMI) qualify for preferential treatment when exporting their products to the U.S. under Section 603(a) of the Covenant. The CNMI is not included within the customs territory of the United States. General Head Note 3 (a) of the Revised Tariff Schedules of the U.S. permits articles grown, manufactured, or produced in the Northern Mariana Islands to be imported into the customs territory of the United States free of duty if 70 percent or less of the value of the product is derived from foreign materials. For certain articles, notably textiles and apparel, only 50 percent or less of the value may be derived from foreign material in order to qualify for duty free treatment.

General Headnote 3 (a) addresses only the issue of whether a product of the Northern Mariana Islands may be imported into customs territory of the United States free of duty. It does not address the circumstances under which products of the Commonwealth may be admitted into the customs territory of the United States free of quota restrictions or other non-tariff barriers. Quotas affecting imports from the Commonwealth into customs territory of the United States have been imposed thus far only with respect to sweaters of third country manufacturers assembled in the Commonwealth for export to the U.S.

Qualifying for Duty Free Treatment

In order for a product manufactured in the Commonwealth to qualify for duty free treatment under the GSP it must meet certain requirements: 1) The product must be included on the GSP list. 2) The product must be from a designated beneficiary country area. 3) The beneficiary area must be eligible for GSP treatment with respect to a particular product. 4) The value added requirements must be satisfied. 5) The article must be imported directly into the United States from the beneficiary area. 6) A certificate or origin form (#3229) must be provided and the importer must have requested GSP treatment.



Value Added Requirement

The sum of the cost or value of materials produced in the Commonwealth plus the direct cost of the processing must equal at least the minimum percentage requirement of the appraised value of the article at the time of entry into the United States. All those costs, whether directly incurred in, or which can be reasonably allocated to the growth, production, manufacture or assembly of labor costs, fringe benefits, on-the-job training, cost of engineering, supervisory, quality control and similar personnel, etc. and other items not directly attributable to the merchandise under consideration or are not "costs" of manufacturing, including profit and general expenses and business overhead (such as administrative salaries, insurance, advertising, etc.), are not allowable costs in meeting the required percentage.

The foreign value limitation test to determine the 50 or 70 percent foreign value limitation for articles manufactured in the Commonwealth compares the actual purchase price of the foreign materials imported into the Northern Marianas (plus transportation costs) and the final appraised value in the United States determined in accordance with the value provisions of U.S. tariff laws.

Direct Shipment

Direct shipment provisions also apply under Head Note 3 (a). Generally, in order for assembled articles to be considered manufactured or produced in the Commonwealth, the component parts of the foreign origin used in the assembly must be shipped from the foreign country in separate shipments. The constituent parts must arrive in at least two different shipments and by separate carriers.

Trademark and Copyright Protection

Northern Mariana Islands is under the American Judicial System where most United States laws apply. The trademark and copyright laws are two of the many laws that are applicable in the Commonwealth. This opportunity gives investors the protection of all intellectual rights in the commonwealth. For further information about trademark and copyrights, contact the Commonwealth Registrar of Corporation at (670) 664-3002 or visit our website at www.commerce.gov.mp.

Special Note

It is essential that interested parties first obtain a ruling on the application of General Head Note 3 (a) provisions for a particular product. Requests should be directed to the U.S. Customs Service, Office of Regulations & Ruling, Washington, D.C. 20229.

A detailed description of the rules may be examined in Customs Regulations 19 CFR, Part 177.





General taxes

Most imposed taxes are administered and enforced by the CNMI Division of Revenue and Taxation and are payable to the CNMI Treasury. U.S. Public Law 94-241, the income tax laws of the United States are enforced in the CNMI as a local territorial income tax (NMTIT). In addition to the mirrored-income tax, the covenant authorizes the CNMI to impose other taxes, a wage

and salary tax, earnings tax, business gross revenue tax, and a general excise tax. Pursuant to the covenant and CNMI law, every person subject to the NMITT is entitled to a rebate with respect to their NMITT tax liability in amounts ranging from 50-90% of the tax paid.

Tax Table for Wage/Salary

	FROM	TO	RATE
a.	- 0 -	1,000.00	0%
b.	1,001.00	5,000.00	2%
c.	5,001.00	7,000.00	3%
d.	7,001.00	15,000.00	4%
e.	15,001.00	22,000.00	5%

	FROM	TO	RATE
f.	22,001.00	30,000.00	6%
g.	30,001.00	40,000.00	7%
h.	40,001.00	50,000.00	8%
i.	50,001.00	and over	9%

Tax Table for Business Gross Revenue

1ST QUARTER

FROM	TO	RATE
-	1,250.00	0
1,250.01	12,500.00	1.5%
12,500.01	25,000.00	2.0%
25,000.01	62,500.00	2.5%
62,500.01	125,000.00	3.0%
125,000.01	187,500.00	4.0%
187,500.01	And Over	5.0%

3RD QUARTER

FROM	TO	RATE
-	3,750.00	0
3,750.01	37,500.00	1.5%
37,500.01	75,000.00	2.0%
75,000.01	187,500.00	2.5%
187,500.01	375,000.00	3.0%
375,000.01	562,500.00	4.0%
562,500.01	And Over	5.0%

2ND QUARTER

FROM	TO	RATE
-	2,500.00	0
2,500.01	25,000.00	1.5%
25,000.01	50,000.00	2.0%
50,000.01	125,000.00	2.5%
125,000.01	250,000.00	3.0%
250,000.01	375,000.00	4.0%
375,000.01	And Over	5.0%

4TH QUARTER

FROM	TO	RATE
-	5,000.00	0
5,000.01	50,000.00	1.5%
50,000.01	100,000.00	2.0%
100,000.01	250,000.00	2.5%
250,000.01	500,000.00	3.0%
500,000.01	750,000.00	4.0%
750,000.01	And Over	5.0%

Communications

Telecommunications in the Northern Mariana Islands make use of the latest in digital fiber optics and satellites that are connected to worldwide networks. Full use of the available technologies allows the islands to have some of the most advance telecommunications in the world today. A full range of services are available, including high speed internet, cellular, integrated voice & data systems, international private lines, pay phones, prepaid phone cards, voicemail, automatic call distribution systems (ACD), and call accounting systems. All of the islands are part of the North American Dialing Plan and calls to U.S. destinations are rate integrated for efficient, inexpensive communication to the mainland. Inter-island calls between Saipan, Tinian, and Rota are free.

The islands enjoy the latest news, weather and music on several FM and AM Stations. Cable television provides dozens of channels with local, national, and international programming. Live CNN, ESPN, Fox and other international news are provided via satellite.

Culture

With a history of occupation beginning with Spain, then Germany, followed by Japan, and finally, with the United States, the CNMI's culture has evolved and adapted to the changing environment. Coupled with the fact that the NMI is in close proximity to Asia, it is no small wonder that the islands have developed a truly international character. The indigenous people consist of Chamorros, and Carolinians, who speak their native languages as well as English. In addition, there are Chinese, Filipinos, Koreans, Japanese, Thai, as well as fellow Americans from throughout the United States and its territories joined with other nationalities living, working, and prospering together in the Northern Marianas. Events which reflect a multicultural society are held year round, celebrating a full range of Asian and American holidays. There are several organizations dedicated to the preservation of culture and language in the NMI.

Zoning

At the direction of Governor Ben Fitial, the Zoning Board is working to improve the visitor experience in Garapan and the overall business atmosphere in the CNMI. In the future, the Zoning Board expects to review the entire Zoning Law to formulate recommendations for amendments that take into account the considerable improvements and developments that have taken place in CNMI since 1994. Under the current Zoning Law, the Zoning Administrator is charged with the task of reviewing applications for land use, lot density, existing and new structures (e.g. height, set-back, expansions, etc.), signage, landscape, and so forth. The Zoning Board is responsible for hearing appeals of decisions by the Zoning Administrator. Applications for variances and non-conforming uses are also heard by the Board.

Labor

The workforce of the Northern Mariana Islands is a diversified mix of U.S. citizens, Micronesians, and guest workers from China, Philippines, Korea, Japan, Thailand, and other countries. People from the Freely Associated States may also freely work in the NMI with the same rights and privileges as U.S. citizens.

Minimum wage and immigration are controlled by the Northern Marianas government through the Department of Labor and Division of Immigration of the Office of the Attorney General. The current minimum wage in the CNMI is \$3.05 an hour. The U.S. Fair Labor Standards Acts (FLSA), Equal Employment Opportunity Commission (EEOC) and the Occupational Safety and Health Administration (OSHA) regulations apply to the NMI. The FLSA establishes overtime pay, record keeping and child labor standards.

A variety of public and private organizations provide assistance to businesses and their employees. The Society for Human Resources Management, a U.S. based private organization, provides training opportunities to help businesses professionalize their human resource management. The Saipan Garment Manufacturing Association (SGMA) has helped to standardize and promote the garment industry through the organization's principles of monitoring code of conduct and employee bill of rights. The Hotel Association of the Northern Mariana Islands (HANMI) also has a code of ethics that promotes professional human resource practices in the hotel industry. Funding assistance for training local entry level employees is available through the Workforce Investment Agency (WIA). The Employment Services Division within the Department of Labor provides referrals of local workers to private industries. For more information regarding labor matters, please contact the Department of Labor at (670) 236-0900 or WIA at (670) 664-1700/3.





Education

Children growing up in the NMI have an opportunity to attend school with children of different nationalities. Mandatory school age in the Marianas is from 6 to 16 years. For children under 6 years old, there are head start programs and preschool opportunities. In addition to the free education provided by the Public School System, there are a wide variety of private schools to meet the diverse needs of an international community. Accredited by the WASC Accrediting Commission for Community and Junior Colleges, the Northern Marianas College (NMC) offers certificate and associate and bachelor degree programs in education, business, and nursing. NMC includes the Small Business

Development Center (SBDC), a Distance Education program, Nursing program, and a host of other programs and projects. It should also be noted that aspiring nurses can also take the NCLEX test. The CNMI also has the ability of administering the CPA exam, therefore affording those individuals living in East Asia the chance of taking the aforementioned test without having to travel to the mainland. SBDC was established in 1993 to help local entrepreneurs establish and maintain small business enterprises. For more info, contact the Public School System at (670) 664-3700 or visit their website at www.pss.cnmi.mp or NMC at (670) 234-3690/5498/6621. NMC's website is www.nmcnet.edu.

Health

The Northern Marianas offers a variety of medical, dental, and eye care options. The island of Saipan has orthodontic services and ophthalmologic care in addition to other essential services. The major medical needs of the NMI are administered by the Commonwealth Health Center (CHC). CHC is a unified medical center which accommodates inpatient and outpatient services, emergency care, public health, dental services, hemodialysis and administrative services. CHC services and facilities include clinical, laboratory, electrocardiography, ultrasound and radiology. Twenty-four hour emergency care is provided by emergency physicians, family physicians, a medical support staff and a variety of specialists who are on call for emergencies. For more info contact CHC at (670) 234-8950 or visit their website at www.dphsaipan.com.

In addition to CHC, there are a variety of private health clinics offering competitive services. Medical facilities in the CNMI must meet U.S. standards. The cost of medical insurance and care in the CNMI, however, is generally lower than in the U.S. Mainland.

Financial Institutions/ insurance

Both federal and local banking laws apply in the Commonwealth, giving the investor assurance that their transactions are protected. In addition to retail banking services, the NMI also hosts several finance companies, security brokers and dealers, trust companies, remittance companies and foreign exchange outlets. There are no restrictions on repatriation of funds. Banks and remittance companies can easily wire transfer funds to anywhere in the world. Automated teller machines are networked with Cirrus, Star, Plus and other systems for convenient access to cash.

Within the Department of Commerce, the Office of the Insurance Commissioner is empowered by statute to regulate the insurance industry, pursuant to 4 CMC, Division 7, of the Commonwealth Insurance Act of 1994. Along with the numerous insurers that the Insurance Commissioner has allowed to transact business in the Commonwealth, the office has also licensed respective general agents for alien and foreign insurers, sub-agents, brokers, adjusters and surplus lines. For more info please call (670) 664-3008/3044 for Banking/Finance and/or (670) 664-3064 for Insurance or visit their website at www.commerce.gov.mp.

Real Estate

Residential

To meet the needs of a growing population with a broad range of living requirements, the onslaught of investments have brought a housing boom in the Northern Marianas. Today there are a full range of choices available for visitors and residents which include apartments, condominiums, rental homes, and homes for purchase or lease that can easily be found on the three main islands of Saipan, Tinian, and Rota. For those who would like to build their own home, there is an abundance of raw land available. Given the tropical island setting, it is not uncommon to find prime real estate with breathtaking views of the ocean at affordable prices.

In addition to commercial banking institutions, the Northern Marianas Housing Corporation (NMHC) provides direct loans and loan guarantees for housing. Major programs include NMHC's direct loan and loan guarantee programs, Farmers Home Administration (FmHA), Guam Savings and Housing Preservation Grant (HPG), Home Investment Partnership (HOME), and Direct Veteran Loan Program. For more info contact NMHC at (670) 234-6866/7670.

Commercial

Commercial office and retail space can be easily located in the CNMI. Due to the large influx of investment dollars into the Commonwealth a large number of office building can be found throughout the islands. For information about land, homes, and commercial spaces for rent, an abundance of private firms can offer assistance. You can find various listed companies on www.pticom.com phone directory listing. For info regarding the lease of public lands, please contact Department of Public Lands at (670) 234-3751 or visit their website at www.mpla.gov.mp.





Tourism

A multi-million dollar industry receiving around a half million visitors each year, tourism in the Northern Marianas has become the backbone of the local economy. During the initial boom in tourism during the late 1980s, the Northern Marianas' beautiful natural environment, tropical weather, relatively low cost and close proximity to Japan made it a destination of choice for Japanese tourists. Today, the industry is highly developed and there are a wide range of accommodations from international chain resorts to small, family run hotels and cottages.

With year-round tropical weather, the Northern Mariana Islands offer many sports and recreational opportunities for outdoor enthusiasts. A wide range of parks and private facilities are available for the enjoyment of visitors and residents. Some popular activities include: golf (the Northern Marianas Islands has several 18-hole courses overlooking the ocean), scuba diving (there are several dozen professional dive shops), wind surfing, fishing, kayaking, canoeing, sailing, tennis, and hiking. There are several fun runs, biathlons, and triathlons including the Tagaman Triathlon and Xterra race. One can also enjoy some of the more exotic activities that have been developed to attract tourists, such as submarine rides, botanical gardens, parasailing, and sky diving to name a few.

Saipan has been the primary center for tourism development, with an international airport, numerous golf courses, luxurious shopping centers, and resort hotels spread throughout the island. A large protected lagoon offers ideal opportunities for boating and a range of other water sports. The island is also home to many historical sites ranging from pre-Spanish era to WWII, to post WWII.

The island of Tinian ushered in a new era in its tourism development. In 1998, it opened its first large scale casino resort. It is currently the only island in the Marianas where casinos are legal. Tinian also has numerous historical sites, having played a role in the end of WWII as the strategic site from which the two atomic bombs dropped on Japan were launched.

Rota's small population and selective development has allowed it to become a popular international ecotourism destination and the friendly people have dedicated themselves to keeping it that way. Unspoiled white sand beaches, acres of lush jungles and an abundance of wildlife can be found on the island. Rota, or "Luta" as it is known locally, has an 18-hole golf resort, as well as numerous family businesses catering to visitors, including hotels, scuba diving tours, fruit farms, nature walks and even a zoo with native animals. For more info contact the Marianas Visitors Authority at (670) 664-3200 or visit their website at www.mymarianas.com.

Some other opportunities include developing theme parks, convention centers, more hotels, shopping malls, etc. to meet the potential upward trend that the tourism industry is expected to see from the East Asian market within the near future. In addition to the Asian market, the CNMI plays host to military personnel on shore leave. Given the large shift of U.S. troops from Okinawa to the Mariana Islands, the CNMI expects to see a large upswing in tourist dollars from military personnel looking for a quick affordable getaway.

Power, Water, & Other Infrastructure Improvements

The CNMI government has dedicated a substantial portion of Capital Improvement Program (CIP) funds towards water development projects to improve and upgrade services for Saipan. The government has contracted \$6 million each year on water enhancement projects.

The NMI operates multiple diesel power plants around Saipan name plated for 108 Mw with a peak demand of 70Mw. The infrastructure is designed and operated to U.S. standards. Tinian has an installed capacity of 20Mw with an additional 10Mw option with an independent power producer and Rota has 7Mw of installed generating capacity. The CNMI also has a U.S. EPA certified water quality laboratory that routinely tests the water to ensure contaminants remain within acceptable EPA levels.

All the islands operate deep water wells with the exception of Rota's natural spring located in the hills near the center of the island. Currently, only Saipan operates wastewater collection and treatment facilities, however both Rota and Tinian are using current CIP funds to design wastewater systems to accommodate their requirements.

The construction of new roads and easements of existing byways on the islands are proceeding at a rapid pace. For more info regarding infrastructure improvement please contact Department of Public Works at (670) 235-5827/5830.

Airports

Saipan is served by major ocean shipping and international air carriers with scheduled connections to Tokyo and other major Japanese cities. The Saipan International Airport operates on a 24-hour basis with a single runway measuring 200 feet wide and 8,700 feet long. It provides aircrafts with unobstructed landings and takeoffs. The runway has a parallel taxiway. A 900 by 300 feet wide parking apron is available to accommodate heavy wide-bodied aircrafts such as the Boeing 747s. Tinian Airport had a newly completed 150-foot wide and 8,600-foot long runway, capable of handling Boeing 747 aircraft and a new Departure Terminal Building is being constructed, adding 18,294 square feet under roof. The Rota Airport presently has a 150-foot wide by 6,000 feet long runway and by early 2007 will have runway with a total length of 7,000 feet which is currently under construction. Once completed, it will be able to accommodate any desired aircraft up to Boeing 767's.

Seaports

Because the CNMI continues to rely heavily on imports to fuel its economic activities, seaports play a vital role in transporting goods to and from the islands. In 1999, The Commonwealth Ports Authority (CPA) completed its expansion of the entire main commercial port facilities on Saipan. The refurbished port provides 2,600 linear feet of berthing space and can accommodate 3 to 4 large vessels with a draft of minus 35 feet in the channel and alongside of berths. The Saipan commercial port serves as the main port for the CNMI and feeds other island ports. CPA is aggressively pursuing port improvements as well as rehabilitation of port facilities. Major shipping lines currently service the CNMI, calling at the Port of Saipan. For more info call (670) 664-3500 or visit their website at www.cpa.gov.mp.

Contact Us

Once again, for more information regarding any material in the booklet and/or questions pertaining to investing in the Commonwealth of the Northern Mariana Islands, please contact us at the Department of Commerce. Our contact information is as follows:

Tel: (670) 664-3000/664-3003

(670) 664-3015/664-3018

Fax: (670) 664-3067

E-mail: commercedept@pticom.com, nmiecondev@yahoo.com

Website: www.commerce.gov.mp

