

2025 CITIZEN CENTRIC REPORT

**WHAT'S
INSIDE**

- Performance
- Finances
- Challenges/Outlook



CEDA
COMMONWEALTH ECONOMIC
DEVELOPMENT AUTHORITY

CEDA & DCD | BOARD OF DIRECTORS, OFFICERS & MEMBERS
(Fiscal Year 2025)

Francisco M. Rabauliman (Saipan)
CEDA Board Chairman
DCD Board Member

Dana A. Calvo (Rota)
CEDA Board Vice-Chairperson
DCD Board Member

Michael S. Sablan (Saipan)
CEDA Board Member
DCD Board Member

Frank Lee SN. Borja (Tinian)
DCD Board Chairman
CEDA Board Member

Daniel Q. Taitano (Rota)
DCD Board Vice-Chairman
CEDA Board Member

Tania Sophia P. David (Saipan)
CEDA Board Member
DCD Board Member

OFFICER

Derek T. Sasamoto
Executive Director/Comptroller

WHO ARE WE?

The Commonwealth Economic Development Authority (CEDA) is a semi-autonomous agency responsible for economic development in the Commonwealth of the Northern Mariana Islands (CNMI). It has the authority to proactively pursue industries and investments that will enhance the CNMI economy. CEDA achieves its objectives through various divisions and programs.

- The Development Banking Division (DBD) is engaged in government and public sector activities thru bonds and bank financing.
- The Development Corporation Division (DCD) is engaged in public sector activities by offering loan options; the Microloan Program and the Direct Loan Program. DCD also administers the State Small Business Credit Initiative (SSBCI) 2.0 program.
- CEDA also administers and facilitates other investment initiatives: the Qualifying Certificate (QC) Program and the Opportunity Zone (OZ) Program.

MESSAGE FROM THE CHAIRMAN & EXECUTIVE DIRECTOR

Hafa Adai! We are pleased to present CEDA's Citizen Centric Report for Fiscal Year 2025.

CEDA is ready to embrace a bright future with many opportunities. We are committed to promoting new possibilities for the CNMI and exploring new markets. With support from our leaders in Capitol Hill, our proactive Board of Directors, and our dedicated management team, we are ready to seize every opportunity for growth.

We embrace the current economic crisis as a chance to innovate and grow. By managing our resources wisely, we will not only navigate this challenge but also emerge even stronger. Our success will be reflected in how the community responds to this crisis. If we can inspire innovation and establish "The Marianas" as an exceptional place to do business, success will surely follow. The future is ours to shape, and we welcome that challenge.

In the following pages, we will share our efforts to attract investors, outline our resources for meeting our goals, and present our plans for the upcoming fiscal year.

/s/ Francisco M. Rabauliman
Chairman, Board of Directors

/s/ Derek Sasamoto, AIF®, MBA
Executive Director

OUR MISSION

Is to appropriate financial and technical assistance to facilitate the start-up or expansion of private and public enterprises for their success, the benefit of the CNMI's economic welfare and the long-term sustainability of CEDA.

OUR VISION

Is to revitalize and reposition CEDA to perform its mission and achieve an overall vision of economic development for the CNMI.

WELCOME!

A warm welcome to Mr. Sasamoto, Alexis, Marc, and Richard to our team! We're excited about the valuable contributions they'll bring in helping advance CEDA's mission.

Mr. Derek T. Sasamoto joined CEDA as Comptroller on January 29, 2024. He served as Acting Executive Director from July 2024 until February 2025, when he was officially appointed Executive Director. With a master's degree in business administration and the Accredited Investment Fiduciary (AIF®) designation, he has embraced significant responsibilities in less than two years with the agency, exemplifying professionalism and excellence.

Ms. Alexis B. Hofschneider is the Field Representative for the Tinian Office at CEDA, starting on January 14, 2025. She has a bachelor's degree in Economics and promotes CEDA's mission while collaborating with local leaders on economic development.

Mr. Marc M. Ruiz is the Administrative and Procurement Specialist at CEDA, having joined on July 14, 2025. He has an associate degree in Business Administration with a focus on Computer Applications and provides support for CEDA operations.

Mr. Richard S. Villagomez is the Economic Development Manager at CEDA, starting on September 8, 2025. He holds a bachelor's degree in Business Administration with a concentration in Finance and develops marketing plans to attract investments to the CNMI.

FAREWELL & BEST WISHES!

We extend our heartfelt farewells to our esteemed Board of Directors whose term concluded on September 25, 2025. We thank Board Vice-Chairwoman **Ms. Dana A. Calvo** for her dedicated representation of Rota on the CEDA Board, as well as Board Secretary **Ms. Tania Sophia P. David** for her proud representation of Saipan. Thank you, Vice-Chairwoman Calvo and Secretary David! Your contributions have inspired us all, and CEDA members and staff will greatly miss you both.

ECONOMIC DEVELOPMENT ACTIVITIES

CEDA, which is responsible for driving economic development in The Marianas, is dedicated to fulfilling its mandate set forth by Public Law 22-01. Under the leadership and guidance of CEDA's Board of Directors, CEDA developed a new and more comprehensive investment packet and promotional strategy for The Marianas in FY 2025. This new approach is specifically designed to attract target markets and industries that are sought after in The Marianas. It is also more aligned with the needs and demands of potential investors, generating significant interest in the region. This new approach was tested at SelectUSA and SEMICON Taiwan in FY 2025.

Select-USA 2025

For the third consecutive year, CEDA showcased the CNMI at the SelectUSA 2025 Investment Summit, the most prominent event in the United States. This summit aimed to facilitate business investments by connecting thousands of investors, companies, economic development organizations, and industry experts. Held in May 2025, CEDA rented a larger booth and enhanced its design, which helped attract a bigger audience and engage many interested investors from various countries.

SEMICON Taiwan 2025

In early September, CEDA represented the CNMI at SEMICON Taiwan 2025, one of the world's premier semiconductor industry events. Invited by the American Institute in Taiwan (AIT), CEDA exhibited in the U.S. Pavilion alongside Arizona, Colorado, New Jersey, and Florida. Notably, The Marianas was the only U.S. territory present, highlighting its significance. The delegation showcased The Marianas' advantages as a U.S. Commonwealth, including customs duty exemptions on certain goods made in the CNMI and the Jones Act, which permits the use of foreign-flagged vessels for domestic trade. Products manufactured in the CNMI can carry the "Made in the USA" label and benefit from local tax incentives. These factors make The Marianas an attractive location for high-tech manufacturing and global supply chain development, serving as a bridge for Asian companies manufacturing in the U.S. and for U.S. companies reaching Asian markets.

The marketing efforts in Taiwan quickly attracted media attention. The Taiwan Broadcasting System, Chinese Television System, Channel 52 aired stories about The Marianas, raising awareness in a market where visibility has often been challenging. The American Chamber of Commerce in Taiwan and an independent media outlet interviewed CEDA executives and proposed publishing articles about The Marianas. This initiative boosts the CNMI's visibility beyond the trade show.

After SEMICON Taiwan, CEDA met with Taiwanese investors in Guam to promote The Marianas as an attractive investment destination. These meetings generated interest and questions from investors looking to establish operations in the CNMI.

CEDA is determined to diversify the economy by actively pursuing new industries that will not only create jobs but also stimulate spending and reverse outmigration trends. We are confident that this initiative will inspire businesses to reinvest, expand, and hire more employees, which is essential for maintaining job stability. As we forge new industries, we will see positive trickle-down effects that will foster the growth of supply chain businesses. We are committed to lowering energy costs and increasing energy capacity by attracting top-tier renewable energy producers. We will also take decisive steps to develop robust food systems in The Marianas, significantly reducing our dependence on imports and enhancing food security.

DEVELOPMENT BANKING DIVISION (DBD)

In Fiscal Year 2025, CEDA, in active collaboration with the Executive Branch and the Legislature, provided \$1 million in financial assistance to the government. This amount was derived from the dividends collected by CEDA from the Commonwealth Utilities Corporation. Saipan Local Law 24-010 allocated \$1 million to the Department of Finance to cover various obligations and local projects within the Third Senatorial District. Additionally, the same appropriation act allocated \$1 million to CEDA for its economic development activities. In FY 2025, the total amount disbursed for CIP projects from the \$140M Bond Interest CIP account and prior appropriation from the CUC Dividend Account was \$766,000.10.

QUALIFYING CERTIFICATE (QC) PROGRAM

In Fiscal Year 2025, the four active Qualifying Certificate (QC) Program beneficiaries are Saipan Globe International Group, Bridge Capital, LLC, Marshall Holdings, Inc., and J&P Holdings, CNMI LLC. J&P Holdings, CNMI LLC is a passenger aviation company that focuses on inter-island transportation. This new venture has the potential to bring significant benefits to the CNMI. We have received inquiries about the QC Program and are currently reviewing one application while responding to prospective applicants seeking information about the process.



(Continued)

DEVELOPMENT CORPORATION DIVISION (DCD)

For FY 2025, CEDA's Board has committed to building on last year's successes in strengthening our post-pandemic recovery through targeted lending aimed at business retention and growth in the CNMI. A vital FY 2025 achievement: the US Treasury-approved State Small Business Credit Initiative (SSBCI) 2.0 program, started with nearly \$19 million. This bank-driven effort partners CEDA with local banks to expand capital access for businesses to collaboratively support steady economic development.

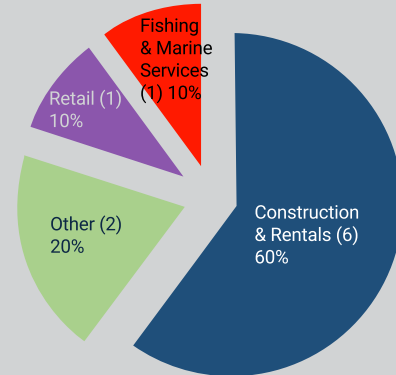
MICROLOAN AND DIRECT LOAN PROGRAMS	FY2024	FY2025
Loan applications started (online)	64	45
Loans applications processed	25	15
Loans approved	17	10
Loans closed	17	17
Total amount of loans disbursed	\$601,553	\$494,330
Average interest rate	7.68%	7.26%
Average loan review time	4-7 days	4-7 days
Loans cancelled	-	-
Loans approval rate	68%	67%
Performing loans	119	119
Foreclosures	-	-
Foreclosed properties sold at auction	-	-

TYPES OF LOANS APPROVED (OVERALL)	COUNT	
Business Type		10
Construction & Rentals	6	60.00%
Other (2)	2	20.00%
Retail (1)	1	10.00%
Fishing & Marine Services (1)	1	10.00%
		100.00%

MICROLOAN AND DIRECT LOAN PROGRAMS (ALL DISTRICT)	FY2025
Loan applications started (online)	45
Loans applications processed	15
Loans approved	10
Loans closed (includes revisions)	17
Total amount of loans disbursed	\$494,330

STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI) (ALL DISTRICTS)	FY2025
Bank-driven SSBCI program	
Total amount of loans disbursed	\$1,015,000
Total amount of SSBCI support	\$812,500

Types of CEDA Loans Approved in FY 2025



DCD Loan Programs

In FY 2025, CEDA continued to operate its direct loan programs, which are designed to support economic activities in key sectors. These programs remain a vital part of CEDA's mission to help businesses access the capital they need.

Micro Loans (\$25,000 and below)

Under the purview of the Executive Director. Average loan review – 4 to 7 days; interest rates range – 5.5% to 9%; and terms of up to 7 years.

Direct Loans (DL) (\$25,000 to \$450,000)

Under the purview of the Board of Directors. Average loan review – 4 to 7 days; decision within an average of 30 to 45 days.

FINANCES: HOW WE USED OUR RESOURCES

For FY 2025, CEDA continues to invest responsibly in safe and liquid instruments. The investment strategy safeguards principal while considering time horizons for cash needs for operations and economic activity. A return of investment of over 4% was achieved during fiscal year 2025, however, further interest rate decrease is anticipated in the near future. CEDA will continue to implement its investment strategy to maximize current rates through diversified redemption timeframes and maximize returns in accordance with the CEDA Act, as amended.

CEDA Fiscal Year 2025 Budget

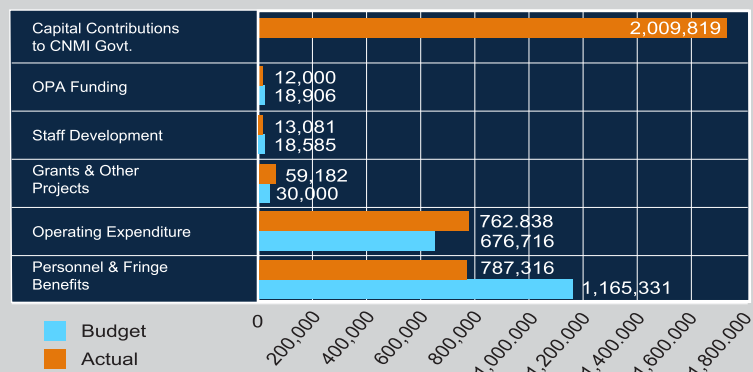
Budget Item	Budget Amount	% of Budget
Personnel & Fringe Benefits	\$1,165,331	61.0%
Operating Expenditure	676,716	35.4%
Grants and Other Projects	30,000	1.6%
Staff Development	18,585	1.0%
OPA Funding	18,906	1.0%
Total Budget	\$1,909,538	100%

CEDA Fiscal Year 2025 Expenses

Expense Account	Amount	%
Personnel & Fringe Benefits	\$ 787,316	21.6%
Operating Expenditure	761,838	20.9%
Grants & Other Projects	59,182	1.6%
Staff Development	13,081	0.4%
OPA Funding	12,000	0.3%
Capital Distribution to CNMI Govt.	2,009,819	55.2%
Provision for Loan Impairment	1,000	0.0%
Total Budget	\$ 3,644,237	100%

CEDA Fiscal Year Budget vs Actual

Budget Item	Budget	Actual	Variance
Personnel & Fringe Benefits	\$1,165,331	787,316	\$ 378,015
Operating Expenditure	676,716	762,838	(86,123)
Grants & Other Projects	30,000	59,182	(29,182)
Staff Development	18,585	13,081	5,504
OPA Funding	18,906	12,000	6,906
Capital Contributions to CNMI Govt.	--	2,009,819	(2,009,819)
Total Budget	\$1,909,538	\$ 3,644,237	\$ (1,734,699)



WHAT TO DO: CHALLENGES & RECOMMENDATIONS

The Commonwealth Economic Development Authority (CEDA) has adopted a transformation role within the CNMI. Empowered by our legally mandated mission to drive and expand economic development, we are responding pro-actively to the profound changes shaping our economic landscape. The CEDA Board of Directors, along with our dedicated management and staff, is committed to adapting our operational framework to meet these challenges head-on. With renewed focus and collaboration, we are optimistic about our path toward economic recovery, diversification, and long-term sustainability. Together, we will strategically position CEDA to not only fulfill its mandate but also to lead the CNMI through the complexities of the future.

1 CHALLENGES

Overlapping and similar missions regarding economic development.

RECOMMENDATION

We will continue our discussions with the Executive Branch and the Legislature about making CEDA the primary and leading government agency in all matters of economic development. Establishing a coordinated and centralized economic development office within CEDA would streamline our efforts. Public Law 22-01 established CEDA to assist in and lead the development of an economic plan for the CNMI. With adequate support, CEDA could effectively fulfill this mandate.

2 CHALLENGES

CEDA is responsible for actively promoting the CNMI as a destination for commercial investment, as well as encouraging the development of a new businesses and the retention and expansion of existing businesses within the CNMI.

RECOMMENDATION

CEDA will work in coordination with various regulatory agencies involved in commerce, tourism, and trade to find ways to streamline business processes in the CNMI. In FY 2025, with the help of Northern Marianas College, CEDA enhanced and updated its investment packet, which now highlights a broad range of benefits and initiatives available to investors.

3 CHALLENGES

CEDA is responsible for promoting and fostering the growth of a market for products from the CNMI, and to coordinate, develop, and participate in off-island investor missions to generate interest and attract investment in the CNMI, with emphasis on business investments from the United States.

RECOMMENDATION

CEDA has been participating in international economic development summits and trade shows, which can enhance interest from investors not only from the United States but also from ASEAN countries. CEDA will continue to seek opportunities with organizations and meet with investors to fulfill its mandate of promoting the CNMI and its products.

4 CHALLENGES

Need for new lending program and higher lending limit to boost the CNMI's business environment by attracting new clients.

RECOMMENDATION

The CEDA Board approved a non-commercial lending package and raised the Executive Director's lending limit. To implement this program and new threshold, we seek CEDA law amendments due to legal restrictions. CEDA will continue engaging with the Executive Branch and Legislature for support.



**Saipan at CEDA Bldg.,
2390 Beach Road, Oleai**
Tel. Nos.: (670) 234-7145/7146/6293/6245
Fax: (670) 235-7147

**Marpac Building near Post Office,
Songsong Village, Rota**
Tel. Nos.: (670) 532-9408 | Fax: (670) 532-9409

Tinian at NMC Campus, San Jose Village
Tel. No.: (670) 433-9203
Fax: (670) 433-3690

Get In Touch With Us

For more information about CEDA
www.developcnmi.com



Commonwealth Economic
Development Authority



developcnmi.com



Saipan at CEDA Bldg,
2390 Beach Road, Oleai