



JENNIFFER GONZÁLEZ - COLÓN
GOVERNOR OF PUERTO RICO

April 1, 2025

Dr. Peter Navarro
Director
Office of Trade and Manufacturing Policy
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Dr. Navarro:

I am writing to update you on our substantial progress in strengthening Puerto Rico's role in America's manufacturing resurgence, to propose four strategic collaboration opportunities that align with President Trump's longstanding vision for U.S. industrial sovereignty, and to personally invite you to visit Puerto Rico at your earliest convenience.

Puerto Rico's Critical Role in U.S. Manufacturing Security

Your previous advocacy for Puerto Rico's pharmaceutical industry as a matter of national security has been prescient. Today, the Island remains an indispensable hub for U.S. bioscience manufacturing:

- 11 of the top 20 global pharmaceutical and biotechnology companies maintain manufacturing operations in Puerto Rico
- The Island produces 6 of the top 10 biological products in the world
- Puerto Rico remains the #1 producer and exporter of pharmaceuticals in the United States
- Over 30 medical device companies operate on the Island, including 6 of the top 10 FDA Class III device manufacturers
- Our manufacturing workforce includes the highest concentration of pharmaceutical and medical device talent in the U.S.

Recent Reshoring Successes

On March 18, 2025, I signed Executive Order 2025-012, establishing a comprehensive reshoring strategy for Puerto Rico. Under the leadership of Secretary Sebastián Negrón-Reichard of the Puerto Rico Department for Economic Development and Commerce, who chairs our Reshoring Task Force, we are working with private sector leaders to accelerate manufacturing investment. Recent successes include:

- A robust pipeline of over \$80 million in committed investments across pharmaceutical, medical device, and manufacturing sectors
- Stryker Puerto Rico's \$12 million expansion to establish new extrusion technology capabilities in Humacao, creating 46 new jobs in medical device manufacturing
- SolX's \$64 million investment to manufacture solar panels in Aguadilla, strengthening domestic clean energy supply chains
- Master Group's \$22 million expansion of their manufacturing operations, creating 91 new jobs while advancing sustainable production practices

As mandated by Executive Order 2025-012, my administration is working to implement several policy initiatives that I believe align with your industrial strategy philosophy:

1. **One-Stop Investment Window:** A centralized point of contact to streamline investment processes for manufacturers relocating to Puerto Rico.
2. **Fast-Track Permitting Process:** Prioritized approval pathways for strategic manufacturing projects.
3. **Reshoring Workforce Training Fund:** Targeted training programs to ensure Puerto Rico's workforce meets the needs of advanced manufacturing operations.
4. **Industrial Leaders Advisory Group:** A council of manufacturing executives to identify strategic opportunities and serve as ambassadors for Puerto Rico.
5. **White Box and Built-to-suit:** A designed pre-approved manufacturing building ready for bid and construction, and standardization of built-to-suit option for new operations and expansion of existing ones.

Tariff Policy and Puerto Rico's Strategic Advantage

The Administration's recent implementation of tariffs on major trading partners has created a significant strategic opportunity for Puerto Rico. As an American jurisdiction offering duty-free access to the mainland market, the Island now presents an even more compelling value proposition for companies seeking to avoid tariff exposure while maintaining proximity to U.S. consumers.

Our analysis, detailed in the enclosed policy brief, identifies several sectors poised for growth under the new tariff regime:

1. **Pharmaceuticals & Medical Devices:** The potential 25%+ tariff on imported pharmaceuticals makes Puerto Rico's established manufacturing infrastructure increasingly valuable for securing America's medical supply chain.
2. **Electronics & Semiconductors:** With the CHIPS Act supporting domestic semiconductor manufacturing and potential tariffs on imported electronics, Puerto Rico's high-tech industrial capabilities align perfectly with reshoring objectives.
3. **Aerospace & Defense:** The defense industry's need for secure domestic production sites makes Puerto Rico an attractive option for components and systems manufacturing.

Policy Alignment & Proposed Collaboration

I propose we explore the following opportunities for collaboration:

1. Including Puerto Rico as a dedicated component in the Administration's strategic manufacturing policy, particularly for pharmaceutical and medical device production.
2. Developing targeted incentives for companies relocating manufacturing from China, Mexico, and Canada to economically disadvantaged parts of the United States, including Puerto Rico, as a secure domestic alternative. For example, introducing a tax credit offsetting capital expenditure for companies investing in domestic pharmaceutical, aerospace, and defense manufacturing industries, including those in Puerto Rico such as legislation that I proposed in Congress along with Secretary Marco Rubio, H.R. 447-Medical Manufacturing, Economic Development, and Sustainability (MMEDS) Act. Also, considering expedited FDA regulatory approval pathway for drugs developed in economically challenged areas like presented in the MMEDS Act, and implementing preferential reimbursement rates for the U.S., including Puerto Rico, manufactured pharmaceuticals.
3. Accelerating federal approval processes for manufacturing facilities on the Island, particularly those addressing critical supply chain vulnerabilities.
4. Directing federal agencies such as the Department of Defense, Department of Health and Human Services, Veterans Affairs, and the Department of Homeland Security to source pharmaceuticals, medical equipment, aerospace components, and defense goods from domestic-based manufacturers, including Puerto Rico.

Visit to Puerto Rico

Lastly, I would like to extend a personal invitation for you and your team to visit Puerto Rico at your earliest convenience. We would be honored to arrange a comprehensive tour of our manufacturing facilities, including pharmaceutical plants, medical device operations, and new investment sites. This visit would provide you with firsthand insight into our industrial capabilities and the significant opportunities for expanding U.S. manufacturing sovereignty through Puerto Rico's unique advantages.

Secretary Negrón-Reichard and our economic development team stand ready to coordinate all aspects of your visit, including meetings with key industry executives, private sector, and tours of strategic facilities. Please let us know what dates might work for you in the coming months, and we will ensure productive and informative experience.

Puerto Rico stands ready to play an expanded role in strengthening America's industrial sovereignty. I look forward to welcoming you to the Island soon.

Sincerely,

A handwritten signature in blue ink, reading "Jenniffer González-Colón". The signature is stylized with a large, flowing "J" and "G".

Jenniffer González-Colón
Governor of Puerto Rico