

Progress made on the commitments in the 2012 Joint Ministerial Council communiqué

Falkland Islands

Jobs and Growth

The Falkland Islands Economy has remained resilient despite the uncertainty in the global economy. Tourism in the Islands has continued to grow and agricultural output has increased, partly as a result of the various measures put in place by the Falkland Islands Government.

Unemployment in the Islands continues to be very low at around 1%.

Increasing investment and trade

This year the Falkland Islands have undertaken a full review of the immigration system which had been identified as a key barrier to the attraction of investment in the past. Its recommendations are currently being considered and decisions are due in March 2014.

FIG has actively prioritised infrastructure developments necessary to facilitate the emerging hydrocarbons industry and is tendering for a prospectus on financing for a possible new port development. FIG has engaged with UKTI on international issues relating to the emerging oil industry.

Developing entrepreneurship and small businesses

As part of their ongoing work, the Falkland Islands are seeking to promote entrepreneurship through programmes funded by the Falkland Islands Development Corporation.

Infrastructure investment

FIG has funded external professional advice on infrastructure developments necessary to facilitate the emerging hydrocarbons industry. Infrastructure UK has been approached for assistance on these matters and negotiations between FIG and Infrastructure UK are continuing.

Meeting international standards on tax co-operation and financial sector regulation and combating financial crime, bribery and corruption

No further action has been taken this year. The Falkland Islands do not have a financial sector, and double-tax agreements with the UK have been in place since 1996. These agreements include commitments on actions to prevent fraud and corruption.

The Environment and Green Growth

The Falkland Islands remain committed to the sustainable management of the environment on which much of its economy depends.

Management and protection of the natural environment

FIG have established a Biodiversity and Environmental Mainstreaming Group, to identify and action the activities necessary to achieve the Islands environmental objectives.

Sustainable fisheries

The Falkland Islands are recognised as having one of the best managed fisheries in the world. 8% of FIG's annual budget is spent on fisheries science and protection and FIG is working with Ascension Island to share best practice in sustainable fisheries management. During 2013:

- FIG commenced an accreditation exercise to secure accreditation from the Marine Stewardship Council for our toothfish fishery;
- The FIG-supported South Atlantic Environmental Research Institute continues to seek to secure funding to progress a programme of Marine Spatial Planning. Darwin award application made.
- FIG has committed funds to commence an assessment of the potential for the sustainable commercial exploitation of the Falkland Islands inshore marine resources. Work will commence in late 2013.

Sustainable Exploitation of Resources

FIG (in partnership with the local private and voluntary sector) completed a gap analysis to identify key gaps in environmental knowledge that need to be addressed to ensure that future oil and gas exploration/production does not adversely affect the environment. Following completion of the gap analysis, FIG and the oil companies active in the Islands agreed to jointly fund a £600,000 programme of scientific research to fill the identified gaps. Work will commence in late 2013 for a two year period.

Renewable energy

40% of domestic energy requirements are from renewable sources. FIG is exploring the possible use of tax incentives to encourage further investment in renewable energy in rural areas as part of its rural development strategy. Final approval of these measures is expected early in 2014 following the General Election.

Agreement was reached with the Ministry of Defence for the construction of additional wind turbines to provide power to the Mount Pleasant Complex, ultimately leading to a further reduction on the dependence of the Islands on fossil fuels.

Meeting international obligations

FIG is due to reach a decision on the Convention on Biological Diversity by the end of the year.

Support from International Organisations

Strengthening relationships with the EU, Commonwealth and other international organisations

Relationships with the EU were strengthened in July 2013 as €4.13 million was awarded to FIG in development funding from the EU. This investment has been made to support sustainable growth and encourage economic diversification through 2013-2016.

Relationships with the Commonwealth continue to develop including FIG participation in upcoming meetings of Commonwealth Finance Ministers in Washington and MLA representation at the Commonwealth Parliamentary Association annual conference in Johannesburg.

Better Government

Developing democratic institutions

An independent review of the roles, responsibilities and remuneration of MLAs has resulted in amended legislation being enacted for the General Election in November 2013. Improved laws and procedures on the conduct of referendums resulted in an endorsement of the process by the team of international observers during the referendum in March 2013.

FIG has committed additional resources to strengthen and develop the system of justice. Additional drafting resources have been engaged to assist the development of new and improved laws. A new 'Revised Laws' project has been undertaken which will establish a baseline for current legislation and recommend a way forward for the future. Additionally, an independent review of the Courts was concluded by experts from the Ministry of Justice in May 2013. A number of important recommendations aimed at improving the effectiveness of the Courts system are currently being implemented.

Integrity in public life

The Nolan Principles are a long-standing feature of FIG's Management Code and are iterated to all members of staff during the induction process.

Codes of practice

There is a code of practice for Members of the Legislative Assembly and a management code for public servants in the Falklands. The Nolan principles are embedded in both.

Strengthening the public service

Specialist advisors from HMG have been procured for specific topic areas (e.g. Immigration) and the in-house policy team has been expanded.

Improving service delivery, including through e-government

FIG now has an online presence- www.falklands.gov.fk and regularly publishes minutes and policy papers to ensure as much transparency as possible.

Strengthening Public financial management

The Islands' Public Financial Management and Procurement Procedures were deemed to satisfy the European Commission's requirements for budgetary support. Procedures are already set out in legislation (Finance and Audit Ordinance). This does not include a limit on borrowing; however any borrowing requires Secretary of State approval which provides a safeguard to HMG. FIG and HM Treasury have agreed the text of a fiscal framework, reflecting the already high standards achieved in the Falkland Islands. The Falkland Islands budget process is open and transparent through the Legislative Assembly. Fiscal risks and liabilities are closely scrutinised through this process.

Procurement

Procurement procedures continue to be revised annually and are considered to meet best practice standards. Current procedures satisfy the European Commission's requirements for budgetary support.

Stronger and Healthier communities

Sport and healthy lifestyles

FIG have a small number of specific initiatives that relate to mental health, smoking cessation etc; and each health professional will use their contact with patients to promote good health, where this is appropriate.

In late 2012 FIG approved the creation of a new post of Change of Life Co-ordinator with a specific remit to promote health and healthy lifestyles within the Islands.

Older people

Work is underway on a Vulnerable People Strategy with a completion date of February 2014.

The Falkland Islands have long-established pension fund programmes and performance is closely monitored. Whilst there is currently a deficit in pension funds the Government is taking action to address this, including measures such as increasing the retirement age and lump sum top up payments to pension funds (from annual budget surpluses). FIG implements the recommendations of the independently appointed actuarial reviews of pension funds.

Children

FIG has established a Child Safeguarding Review Group to examine child protection strategies and procedures. This is a multi-disciplinary group that includes the Islands' Departments of Health and Education, Police, Courts, Members of the Legislative Assembly and local FCO representation from Government House.

Tackling Discrimination

Legislation to introduce a Minimum Wage in the Islands was passed in August 2013. The legislation will come into force on 1st December 2013.

Safer Communities

Prisons and probation

A well-established Board of Prison Visitors provides, in effect, an independent mechanism to monitor the prison and its inmates through scheduled and unannounced visits.

A full criminal law review is underway, currently focussing on sentencing provision. Revised Prison Legislation is also being progressed. FIG is exploring possible use of alternatives to custody, such as conditional sentencing and special measures for youth offenders.

Disaster preparation and resilience

FIG allocated funds in its 2013/14 budget to review emergency management procedures. The Director of Emergency Services has engaged in fact-finding exchanges with agencies in the UK (including Police Scotland in relation to emergency management in the oil and gas sector). A full action plan is in preparation.

Health

Strengthening public health systems

A proposed partnership programme with University Hospital Southampton NHS Foundation Trust has scope for the use of telemedicine and continuing professional development for staff employed in the Falklands.

Tackling chronic non communicable diseases

Improved treatment and care for people suffering from chronic non- communicable diseases is an on-going issue in the Falkland Islands. GPs and nursing staff are encouraged to develop particular interests and this approach is supported by specialist visits from NHS Consultants and remote advice.

International Health Regulation compliance

An acknowledged gap on the Falkland Islands relates to public health legislation and work will continue towards rectifying this situation.

Education

Strengthening participation and attainment

Educational attainment levels in the Falkland Islands are monitored in line with the UK Ofsted system and work continues to improve attainment levels and achievement. A full review of the Islands Education Policy is expected to commence in November 2013.

Early childhood education

A new FIG funded pre-school facility has recently been constructed. There is now expanded provision of complex needs teachers, specific Learning Difficulties staff, and Special Educational Needs support staff.

Tertiary education

The Falkland Islands Government has for many years fully-funded post-16 further and higher education for Islanders, most of who choose to study in the UK.

Lifelong learning

FIG now offers GCSEs to post-16 learners in the format of evening classes. English as an additional language is being taught in the same way. In addition, the ECDL qualification and other distance learning classes are being made available in remote locations across the islands.