



Falkland Islands Innovation Strategy

Full Report

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EXECUTIVE SUMMARY

PART A

The stakeholder consultation was conducted using two methodologies; (1) an 'Innovation Workshop' held on Friday the 16th October 2015 and (2) an Innovation Questionnaire. Both methodologies contained the same questions and results have been combined.

Swot Analysis: Innovation in the Falkland Islands

A SWOT analysis was carried out in the consultation to determine the Falklands as a place to conduct innovation. The following are the agreed top 5 considerations in each category of the SWOT.

Strengths	Weaknesses
<ul style="list-style-type: none"> Political status Natural Resources (e.g. wildlife, oil, energy, etc.) Resourcefulness Ease of Communication Multiculturalism 	<ul style="list-style-type: none"> Lack of labour and capacity Lack of competition Remoteness Public Sector short-termism and indecision Small Town Mentality (<i>see page 6 for details</i>)
Opportunities	Threats
<ul style="list-style-type: none"> Improvements to international networks Adding value to Falkland Island products Review of immigration policy Maximise natural resources sustainably Banking services 	<ul style="list-style-type: none"> Politics Immigration policy Lack of long-term vision and strategy Complacency Lack of Competition

Innovation Support and Key Strategy Factors

Individuals were asked to provide suggestions on what support is needed to encourage innovation and what needs to be carried out to ensure the successful delivery of a strategy for the Falklands.

Innovation Support	Key Strategy Factors
<ul style="list-style-type: none"> Tax Breaks/Credits Financing Business advice Mentoring and Collaboration Infrastructure improvements Immigration review Increase facilities Government support for innovation 	<ul style="list-style-type: none"> Public Sector innovation mentality Measure performance Community buy-in Prevent fear of failure from becoming a barrier Administration of strategy

Sector Analysis

Six sector groups were formed and were as follows; (1) Fishing, (2) Agriculture, (3) Tourism, (4) Oil and Gas, (5) Retail and Business Services and (6) Research, Education and Training. Each of the groups conducted a SWOT analysis of their sector. Under the 'Opportunities' and 'Threats' categories, each group was asked to provide 'Short-Term', 'Medium-Term' and 'Long-Term' considerations for each.

After the SWOT Analysis the groups were asked the following questions; (1) "*What are the top five barriers that prevent innovation in your sector?*" and (2) "*Working through each of the identified barriers, agree a suggestion of the support that can be provided to alleviate the barriers?*". The

quantity of the results of this analysis is vast and would be difficult to condense. The results of this analysis for each sector can be found in detail from page 8 onwards.

PART B

The Innovation Strategy aims to instil a mentality of innovation throughout the Falkland Islands public and private sectors in a top-down approach. This is to be achieved by making innovation a national priority, increasing collaboration, increasing research and development, improving the long-term development of people, sharing risk and regular reviews of the strategy itself.

The strategy draws on three main sources; (1) the Advisory Board agreed vision for innovation in the Falkland Islands, (2) the results of the Stakeholder Consultation held in October 2015 and (3) the OCTA definition for innovation.

The objectives of the Innovation Strategy are as follows;

1. Make innovation a national priority for the Falkland Islands;
2. Increase and improve collaboration in the Falkland Islands;
3. Increase research and development in the Falkland Islands;
4. Improve the long-term planning, development and retention of skilled people;
5. Assist the private sector to identify, assess and deliver innovative solutions.

The strategy is composed of the following 16 recommendations under seven themes.

PART C

The following is a summarised version of the Action Plan.

Recommendation	Task or Action	Output or Outcome	Owner/ Resources	Timescales & Milestones
FALKLAND ISLANDS GOVERNMENT				
R1	FIG to embed innovation in national and government priorities.	Submit paper to Executive Council.	Innovation is made a FIG priority.	Innovation Manager February 2016
R2	Members of Legislative Assembly to add innovation as a portfolio responsibility and assign a portfolio holder and deputy portfolio holder.	Submit paper to Executive Council.	Innovation portfolio created and assigned with MLAs.	Innovation Manager February 2016
R3	FIG to embed the principle of innovation in future strategic policies and existing strategic policies as they are reviewed.	Submit paper to Executive Council.	New strategies and policies to be embedded with innovation.	Innovation Manager and FIG Policy Unit February 2016
FALKLAND ISLANDS DEVELOPMENT CORPORATION				
R4	FIDC to make innovation a strategic priority.	Submit paper to the FIDC Board.	FIDC makes innovation a priority.	Innovation Manager Completed on the 3 rd December 2015

Recommendation		Task or Action	Output or Outcome	Owner/ Resources	Timescales & Milestones
R5	FIDC to lead the Innovation Strategy with the appointment of an Innovation Manager.	Submit paper to the FIDC Board.	Innovation Manager appointed.	Innovation Manager	Completed on the 3 rd December 2015
R6	FIDC to establish an Innovation Project with an allocated budget.	Submit paper to the FIDC Board.	Innovation project and budget approval for 2016/2017.	Innovation Manager	Completed on the 3 rd December 2015 (budget subject to FIG subvention approval)
R7	FIDC to establish an initiative to promote and encourage greater collaboration between businesses, researchers and institutions.	Devise an initiative to encourage Falkland businesses to collaborate more with institutions	Initiative encourages more collaboration between businesses and institutions.	Innovation Manager	June 2016
STAKEHOLDER SUPPORT					
R8	FIDC to seek the support of the Falkland Islands Tourist Board, the Falkland Islands Chamber of Commerce, the Rural Business Association, the Falkland Islands Fishing Companies Association and the Falkland Islands Petroleum Licensees Association.	Innovation Manager to meet with key Falkland Island stakeholders.	Receive support to participate in the delivery of the Innovation Strategy.	Innovation Manager	May 2016
EDUCATION & TRAINING					
R9	The development and implementation of a programme to improve information and linkages for job opportunities and careers for Falkland students in the Falkland Islands.	Collaboration with Department of Education to improve career advice to Falkland Island students.	Falkland students to have a better understanding of the career opportunities in the Falklands.	Innovation Manager, FIG Department of Education and Chamber of Commerce	December 2016
R10	The establishment of an initiative to encourage more skills and knowledge transfer to the local workforce.	Collaboration to create an initiative to encourage more skills and knowledge transfer.	Guidelines to Directors and Managers within FIG and the private sector to facilitate skills and knowledge transfer.	Innovation Manager, FIG Policy Unit and Chamber of Commerce	December 2016

Recommendation	Task or Action	Output or Outcome	Owner/ Resources	Timescales & Milestones	
RESEARCH & DEVELOPMENT					
R11	Consider the establishment of a scheme to encourage local and overseas researchers to conduct studies in the Falkland Islands.	Identify solutions to alleviate barriers that prevent research taking place in the Falkland Islands.	Increase the number of overseas researchers conducting their studies in the Falkland Islands.	Innovation Manager	September 2016
R12	Investigate the provision of tax breaks for local businesses conducting research and development in the Falkland Islands.	Discuss options for tax breaks/credits being provided to Falkland businesses carrying out research and development in the Falklands.	More businesses in the Falkland Islands carry out Research and Development.	Innovation Manager and FIG Treasury	June 2017
STRUCTURE & ADMINISTRATION					
R13	The formation of the Innovation Council.	Form Innovation Council with key stakeholders from the public and private sectors.	A highly driven Innovation Council formed.	Innovation Manager	July 2016
R14	Sector Working Groups to be established, chaired and administrated by their relevant business association.	Form working groups for the key sectors of the economy.	Well represented sector working groups consisting of the public and private sectors.	Innovation Manager, Chamber of Commerce, FIFCA, RBA, FIPLA and FITB	July 2016
PERFORMANCE					
R15	Annual statistics are to be collected from FIG, FIDC and the private sector to determine whether innovation is increasing in the Falkland Islands.	The Innovation Council is to agree a set of statistics to measure the performance and delivery of the Innovation Strategy.	A set of statistics agreed by the Innovation Council which are collected on an annual basis.	Innovation Council, Innovation Manager, FIG Policy Unit, Chamber of Commerce, FIFCA, RBA, FIPLA and FITB.	December 2016
R16	The FIDC Business Climate Survey is to include a section on Innovation to collect information from businesses.	FIDC to include a set of innovation questions in the 2016 edition and each subsequent edition of the Business Climate Survey.	From the 2016 Business Climate Survey edition and onwards, a standard set of questions will be included in the survey.	Innovation Manager	April 2016

INTRODUCTION

Background

The European Union (EU) has 22 Overseas Countries and Territories (OCTs) as members of its Overseas Countries and Territories Association (OCTA). One aim of OCTA is to contribute to the sustainable development of all of the EU's OCTs, with priority given to innovation, competitiveness and green growth. Based on this aim, OCTA has developed a dedicated project to spur innovation in OCTs called the 'Territorial Strategies for Innovation', which was officially launched on the 6th June 2014 in Brussels. This project provides technical and demand-driven services to OCT governments.

The European Commission (EC) has allocated a budget of €5m for the 'Territorial Strategies for Innovation' project, specifically for technical assistance and the implementation of pilot projects in OCTs. The technical assistance contract was awarded to Eurecna (Italy) and Egis (France) for a four-year period (April 2014-March 2018) and a core team of experts will be based in Brussels. The experts will help OCTs to;

- Establish an innovation strategy;
- Establish actions plans for implementing the innovation strategy;
- Create training tools to raise awareness of innovation;
- Facilitate an innovation network through digital platform and training sessions;
- Develop regional cooperation.

Innovation Definition

The following is the OCTA definition for innovation. This definition has been used as a guide during the project, specifically the stakeholder consultation held in October 2015.

"Innovation is really about responding to change in a creative way; it's about generating new ideas, conducting R&D, improving processes or revamping products and services. At another level, it's also a mindset in your business; your employees are always focused on continuous improvement and constantly thinking outside of the box."

In the context of TSI this means changing or creating more effective processes, products and ideas that will increase the likelihood in the OCTs of increasing in competitiveness and achieving sustainable economic growth."

Two other definitions have also been used to help guide the project;

Australian Government definition;

"Innovation generally refers to changing or creating more effective processes, products and ideas that can increase the likelihood of a business succeeding."

Wikipedia definition;

"Innovation is a new idea, more effective device or process. Innovation can be viewed as the application of better solutions that meet new requirements, unarticulated needs, or existing market needs."

Innovationpolicyplatform.org definition for public sector innovation;

“Public sector entities also innovate by introducing new approaches to provide quality public services and better respond to society’s needs.”

Advisory Board

OCTA strongly recommended the formation of an ‘Advisory Board’ to all OCTs engaged in the ‘Territorial Strategies for Innovation’ project. The purpose of the Advisory Board is to provide advice and guidance to the Innovation Manager and facilitate the formulation and implementation of an Innovation Strategy. The Falkland Islands Advisory Board consists of the following individuals;

1. Michael Betts (FIDC Business Relations Manager) – Innovation Manager/Advisory Board Chair
2. Michael Poole (Member of Legislative Assembly) – Advisory Board Vice-Chair
3. Anne Wagner-Gras (FIDC Development Manager)
4. Vicki Jackson (Falkland Islands Government [FIG] Policy Unit Senior Economist)
5. Tom Hill (FIG Director of Education)
6. Paul Brickle (South Atlantic Environmental Research Institute Director)
7. Neil Judd (Falklands Land Holdings Ltd General Manager)
8. Andy Pollard (Falkland Islands Fishing Companies Association Executive Secretary)
9. Andrea Clausen (Falkland Islands Tours and Travel Ltd Director)

The Advisory Board agreed the following mission for the Falkland Islands Innovation project;

“Innovation is embedded in the Falkland Islands to develop the Islands’ economy in a sustainable manner, which preserves the Islands unique and rich environment and culture.”

The Advisory Board met on several occasions during 2015 to discuss the project itself, the formulation and organisation of the stakeholder consultation and the Pilot Project application to OCTA.

Pilot Project

Following the well-attended Innovation Workshop in October 2015, the Advisory Board met on the 22nd October 2015 to decide the Pilot Project for the Innovation Strategy. The aim of the Pilot Project is to help introduce the Falkland Islands Innovation Strategy through a project that encapsulates its objectives. The Advisory Board agreed the Pilot Project should focus on adding value to Falkland Islands products and services, for example wool, meat, and fish and squid. The Pilot Project application process is structured in two parts; (1) Concept Note and (2) Application.

With the assistance of the Advisory Board the Innovation Manager completed a concept note template provided by OCTA with an outline of the Pilot Project that summarised its objectives, activities, and outcomes. On the 16th November 2015 a Concept Note entitled ‘Adding Value to Falkland Islands Products and Services’ was submitted to OCTA. On the 30th November 2015, the Innovation Manager received an official response from OCTA detailing feedback and a request for the Innovation Manager to submit a full application seeking EU funding for the Pilot Project.

On the 14th January 2016, the Innovation Manager submitted a full application for funding from OCTA. The Innovation Manager received considerable support from the Advisory Board and other

stakeholders in completing the application. The following is a brief summary of the key details of the Pilot Project;

Title	Adding Value to Falkland Islands Products and Services
Duration	18 months (July 2016 – December 2017)
Overarching Objective	To increase the competitiveness and profitability of Falkland Islands Wool, Meat, Fish and Squid businesses by encouraging these businesses to move up the value-chain.
Specific Objectives	<ul style="list-style-type: none"> i. Add value to Falkland Islands wool, meat, and fish and squid; ii. Increase the marketing and international awareness of Falkland Islands wool, meat, and fish and squid; iii. Increase collaboration within the Falkland Islands economy.
Activities	<ul style="list-style-type: none"> i. Economic analysis of value adding opportunities for the main sectors of the Falkland Islands' Economy; ii. Identifying and working through to completion market access issues for those markets offering best economic potential; iii. Sectorial logistical review for exporting products and services; iv. Developing and implementing a marketing strategy to increase value added to products and services for the Falkland Islands.
Outcomes	<ul style="list-style-type: none"> i. Falkland businesses will have access to detailed information to make informed decisions to add value to their product or service in an innovative way; ii. The relevant bodies in FIG will have access to data and analysis to inform the review of the national strategies and public policies; iii. Access to new markets and increased international awareness of Falkland products and services; iv. A strong partnership between the public and private sectors; v. Improve the relevance of business advice by up-skilling of the business support agency and associations as well as key resources in Falkland Island Government Departments.

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PART **A | Falkland Islands Innovation Strategy**

Stakeholder Consultation Results

METHODOLOGY

PART A will outline the methodology, organisation and findings of the innovation stakeholder consultation held in October 2015. The consultation was conducted as part of the Falkland Islands Innovation Strategy project and was led by the Falkland Islands Innovation Manager, Michael Betts (FIDC Business Relations Manager), and assisted by six facilitators.

The stakeholder consultation was conducted using two methodologies. The majority of the consultation was carried out in the form of an 'Innovation Workshop' held on Friday the 16th October 2015 at the Falkland Islands Defence Force Club. The workshop was attended by 31 individuals from the private sector and Falkland Islands Government (FIG). The workshop was managed by the Innovation Manager and six facilitators. An open, honest and positive atmosphere was widely encouraged during the workshop. The programme of the workshop can be found in Appendix A.

The second consultation methodology was in the form of an 'Innovation Questionnaire'. The aim of the questionnaire was to capture the views of individuals who were unable to attend the Innovation Workshop. The questions asked by the questionnaire were identical to the questions asked in the workshop. The template for the questionnaire can be found in Appendix B.

As the questions asked at both consultations were the same, the results of each consultation process have been grouped together and can be found in the proceeding sections.

Objectives

The following were the objectives of the stakeholder consultation for the Innovation project;

1. Outline the current environment for innovation in the Falkland Islands;
2. Identify the barriers to innovation;
3. Determine the support required by businesses to encourage innovation;
4. Identify new innovation opportunities;
5. Determine how an Innovation Strategy can be successfully delivered in the Falkland Islands.

Facilitators

Six 'Facilitators' were recruited to assist with the management and activities of the workshop. Each facilitator worked with a group of individuals to explain and guide their group through the activities in the time allocated as set out in the Workshop's programme. The activities include prompting discussions, asking questions, reporting and note taking. Facilitators were responsible in ensuring all discussions were relevant and realistic, and that all members of their group had an equal say. The six facilitators were;

1. Stacy Bragger – Chamber of Commerce Executive Secretary
2. Maeve Daly – FIG Policy Unit Statistics and Performance Officer
3. Emily Hancox – FIG Minerals Department Project Officer
4. Vicki Jackson – FIG Policy Unit Senior Public Policy Advisor
5. Terrienne Ormond – FIG Assistant Director of Civil Aviation
6. Anne Wagner-Gras – FIDC Development Manager

INNOVATION IN THE FALKLAND ISLANDS

Seminar 1 of the Innovation Workshop and Part 1 of the Innovation Questionnaire focused on the Falkland Islands as a place to carry out innovation. The workshop seminar was held on the morning of Friday the 16th October 2015 where participants were organised into mixed sector groups and worked with a facilitator through the organised activities.

Innovation Workshop: Participants & Groups

The following table displays the groups for Seminar 1.

Group 1 Emily Hancox	Group 2 Terrienne Ormond	Group 3 Stacy Bragger
Janet Robertson Travis Allington Sally Ellis Sam Cockwell Stefano Mainardi	John Barton Michael Gras Allan Steen Sammy Marsh Arianne Goss Roger Spink Paul Jays	Eugene Hurley Neil Judd Mike Rendell Adam Cockwell Deborah Davidson Bernadette Paver
Group 4 Vicki Jackson	Group 5 Maeve Daly	Group 6 Anne Wagner-Gras
Cheryl Roberts Roddy Cordeiro Hamish Wylie Fiona Didlick	Stuart Wallace Hew Grierson Steve Fowmes Nikki Buxton Karen Lee	Adam Dawes Mike Brough Emma Brook Tom Hill

SWOT Analysis

Each group was asked to conduct a SWOT Analysis of the Falkland Islands as a place to carry out innovation. The results of each group were then fed to the Innovation Manager who listed the results in priority order based on how many times a particular factor appeared in the six groups. This list was then presented to the entire workshop and an open floor discussion was held. The aim of the discussion was to task the workshop to reach a consensus on a 'Top 5' in each component of the SWOT Analysis.

The workshop agreed on the following top 5 (in no particular order) in each part of the SWOT Analysis. The full list of factors for the SWOT Analysis can be found in Appendix C.

Strengths

- **Political status:** The benefits and stability of being a British Overseas Territory and, therefore, an Overseas Country and Territory (OCT) of the EU;
- **Natural Resources:** The natural resources of the Falkland Islands (e.g. wildlife, fish, squid, livestock, grassland, environment and energy resources);
- **Resourcefulness:** Cultural resourcefulness of the Falkland Islands people;
- **Communication:** Easy access to decision-makers in the public and private sector and ease of communications between individuals and organisations;
- **Multiculturalism:** Worldwide recruitment of people and the ease of access and funding for overseas education to provide new ideas, experiences and people to the islands.

Weaknesses

- **Labour and capacity:** The lack of labour and capacity in the islands, as well as the absence of a review on the immigration policy;
- **Lack of competition:** The regulation of licensed monopolies (e.g. telecommunications, oil supply, etc.) and the lack of competition;
- **Remoteness:** The remoteness of the Falkland Islands, the small local market, the distance to overseas markets and the lack of adequate international links (e.g. shipping and air);
- **Public Sector:** Lack of continuity, short-termism, indecision and bureaucracy in FIG;
- **Small Town Mentality:** Small town mentality, meaning the lack of support, collaboration and encouragement to help others succeed, and resistance to change.

Opportunities

- **Networks:** Improvements to international networks (e.g. telecommunications and international shipping and air links) for the Falkland Islands;
- **Value:** Adding value to Falkland Island products (e.g. wool, meat fish, etc.) and improving marketing;
- **Immigration:** Review of immigration policy, improvements in international recruiting and the better integration of contractors;
- **Maximise:** Further maximise the natural resources of the Falkland Islands in a sustainable manner;
- **Banking:** Improvements to financing and banking services in the Falkland Islands.

Threats

- **Politics:** Regional politics stifle innovation in the Falkland Islands by preventing international links, access to markets, etc.;
- **Immigration:** Lack of review on the Immigration Policy, which leads to a “brain drain” with people leaving the islands;
- **Strategy:** The lack of a vision and long-term goals for the Falkland Islands;
- **Complacency:** The acceptance of status quo in the islands leading to a lack of drive to achieve more and to find innovative solutions;
- **Lack of Competition:** Poor regulation of licensed monopolies and the lack of competition.

Innovation Support

It was decided between the Innovation Manager and the facilitators that the question regarding barriers (“*What are the barriers that prevent Falkland businesses from innovating?*”) would be dropped because the SWOT analysis provided enough information regarding barriers preventing innovation and, also, due to time constraints. The question regarding innovation support (“*Realistically, what support can be provided to assist businesses to innovate?*”) was asked to the entire workshop in an open-floor discussion. The following types of innovation support were suggested;

- **Tax Breaks/Credits:** The workshop felt that tax breaks or credits provided for capital allowances or research and development would enable more investment in innovation;
- **Financing:** The group suggested that if some form of financing, such as seed capital or grants, could be provided to reduce risk as this could encourage more businesses to establish or invest in innovative projects;

- **Assistance:** The group felt that business advice could be provided to help with their strategic decision-making and long-term planning. This may also include advice in market research, and potential new and international markets;
- **Mentoring and Collaboration:** It was suggested that a business mentoring programme could be established to help businesses. Also, some assistance in establishing collaborations and networks between businesses, institutions, organisations and individuals could help improve innovation in the Falklands;
- **Infrastructure:** Improving the Falklands' infrastructure (e.g. telecommunications and international air links) would allow businesses to innovate by providing more access to education, new markets, etc.
- **Immigration:** The group wished for a finalised review on the current immigration policy so more skilled and unskilled labour could be recruited and capacity could be created to encourage innovation in the islands;
- **Facilities:** The group felt that if facilities, such as office space, warehousing, etc., were provided it would allow new and growing businesses the space to develop.
- **Government:** The workshop felt that if FIG, across all departments, did not fully support innovation in the islands as a matter of policy, this could stifle long-term planning, the encouragement of innovation, and public and private collaboration.

Key Factors for a Long-term National Strategy for the Falkland Islands

The workshop was asked the following question; *“What are the key factors that need to be addressed to ensure a long-term innovation strategy for the Falkland Islands is successful?”*. The purpose of the question was to gain an understanding of what the attendees believed needed to happen on a strategic and operational level to ensure a long-term national strategy of the Falkland Islands could be successful and delivered in the long-term. This question was held in an open-floor discussion and the workshop agreed the following factors as critical to the success of an innovation strategy for the Falklands;

- **Public Sector Mentality:** The workshop emphasised the importance of FIG's role in the delivery of the strategy. FIG may not lead the strategy, however due to its size and presence in the Falklands, for example as the largest employer and provider of services, the government would need to commit to innovation and change its own mentality to support innovation across all of its departments. This could involve participating in innovation itself by looking for innovative solutions, adopting its working practises to encourage innovation and in the private sector, and incorporating the innovation strategy in other national strategic documents.
- **Performance:** It was strongly suggested for the strategy to be successful, progress needs to be measured. This would keep the strategy alive and enable individuals and organisations to recognise measurable achievements, which would allow more parties to buy into the strategy. The workshop stressed that measurables need to be functional and straightforward to enable a clear understanding of the strategy and its milestones.
- **Buy-in:** The workshop recognised the importance of stakeholder and community buy-in into the strategy. This would create nationwide and cross-sectorial support for the strategy and would assist in its successful delivery and prevent the moving of goal-posts.
- **Failure:** The workshop urged that failure should not be a barrier in the pursuit of innovation. It was recognised that failure will be experienced at some stage, however it is important to ensure failure doesn't deter the delivery of the strategy or other projects.
- **Administration:** The workshop stated that an organisation will need to commit time, funding and resources in the delivery of the strategy. This organisation would create and facilitate the framework for the strategy and actively deliver it in partnership with stakeholders.

SECTOR INNOVATION

Seminar 2 of the Innovation Workshop and Part 2 of the Innovation Questionnaire focused on innovation in six identified sectors of the Falkland Islands. The sector groups were; (1) Fishing, (2) Agriculture, (3) Tourism, (4) Oil and Gas, (5) Retail and Business Services and (6) Research, Education and Training. The seminar at the workshop was held on the afternoon of Friday the 16th October 2015 where participants were organised into sector groups and worked with a facilitator through the organised activities.

Innovation Workshop: Participants & Groups

The following table displays the groups for Seminar 2.

Fishing Sector Emily Hancox	Agriculture Sector Terrienne Ormond	Tourism Sector Stacy Bragger
Michael Gras Stuart Wallace Janet Robertson Eugene Hurley Cheryl Roberts	Adam Dawes Travis Allington Allan Steen Neil Judd Hew Grierson Tim Miller	Mike Rendell Sally Ellis Sammy Marsh Arianne Goss
Oil & Gas Sector Vicki Jackson	Retail & Business Services Sector Maeve Daly	Research, Education & Training Sector Anne Wagner-Gras
Roddy Cordeiro Mike Brough Sam Cockwell Roger Spink Adam Cockwell	Hamish Wylie Karen Lee Bernadette Paver Nikki Buxton	Stefano Mainardi Tom Hill Emma Brook Deborah Davidson Fiona Didlick

Each of the groups was asked to conduct a SWOT analysis of their sector. Under the 'Opportunities' and 'Threats' categories, each group was asked to provide 'Short-Term', 'Medium-Term' and 'Long-Term' considerations for each. During this analysis, the sector groups were not asked to prioritise their SWOT considerations. This provides a general outlook for each of the sectors. It is recommended to conduct further sector consultation through collaborative work to obtain additional detail, particularly to identify innovation opportunities.

After the SWOT Analysis the groups were asked the following questions; (1) *"What are the top five barriers that prevent innovation in your sector?"* and (2) *"Working through each of the identified barriers, agree a suggestion of the support that can be provided to alleviate the barriers?"*

The sector groups provided the following analysis and answers.

Fishing Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Security of tenure • Financial resources • Strong scientific background and team • Environmental credentials and resources • Close relationship with private and public sector • Falkland Islands Fishing Companies Association • Access to international markets 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Under resourced Fisheries Department • Lack of knowledge cluster (limited number of experts working in the sector)/ One man deep • Limited services and expertise • Supply chain and logistics • Lack of infrastructure • Uncertainty of data collection • Lack of political will (budgets and decisions)
<p>Opportunities</p> <p>Short-term</p> <ul style="list-style-type: none"> • Provision of services • Increased FIG budget <p>Medium-term</p> <ul style="list-style-type: none"> • Greater ownership of each step of the value chain • Economic analysis • Marketing improvements • Use of Falklands instead of “Malvinas” when selling to Spanish/Latin markets • Ecosystem rather than species approach in stock assessment <p>Long-term</p> <ul style="list-style-type: none"> • Port • Fill gaps and ecosystem modelling • Improvements to Fisheries Department budget 	<p>Threats</p> <p>Short-term</p> <ul style="list-style-type: none"> • None. <p>Medium-term</p> <ul style="list-style-type: none"> • UK leaving EU • Conflict with Oil industry in operational area <p>Long-term</p> <ul style="list-style-type: none"> • None <p>Overarching</p> <ul style="list-style-type: none"> • Argentina <ul style="list-style-type: none"> ○ Market Access ○ Direct threat ○ Science and Research • Fishing licence costs • Aging fleet

Barriers & Support

Barrier	Support
Lack of funding and Financing.	<ul style="list-style-type: none"> • Fisheries Budget to be discussed with industry; • Potential FIG and bank collaboration with industry to invest in fisheries (e.g. new fleet); • Research would be a good use of funds.
Lack of knowledge, people and human resources.	<ul style="list-style-type: none"> • Improve recruitment and incentives for contractors to remain in the Falklands and create a focussed programme to achieve this; • Improve the training of locals in required disciplines (e.g. engineering); • Improve collaboration within the industry and with the government.
The cost of freight is high, political interference and distance to markets.	<ul style="list-style-type: none"> • Accept burden of freight costs and continue to support the Falklands commercial shipping link.
Lack of infrastructure (e.g. deep water port, cold store, etc.).	<ul style="list-style-type: none"> • Improve infrastructure and facilities for sector (e.g. deep water port, cold store, lay-up facilities).

Agriculture Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Potential for good return of investments • Small sector enables collaboration • Small numbers of industries • Farmers not in competition with one another • Potential for massive growth • Clean green image • Location (lack of flies/disease) • Locally-owned 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of strategic cooperation within and outside the sector • Labour spread too thin • Lack of service industries • Export-based industry • Sell at lowest price (lack of selling power) • Subject to global fluctuations in pricing • Production costs are high • Distance from markets • Lack of acceptance of failure • Lack of information available within industry • Short-term nature of informational support • Staff turnover • Lack of long-term strategic planning • Small industry
<p>Opportunities</p> <p>Short-term</p> <ul style="list-style-type: none"> • Improve info/wool selling efficiency • Oil industry/growing customer base • Rebrand Falklands Agriculture sector • Increase market access • Marketing <p>Medium-term</p> <ul style="list-style-type: none"> • Collaboration (farmers and Department of Agriculture) • Improve nutrition/supplementation • Strategic plan for sector • Marketing <p>Long-term</p> <ul style="list-style-type: none"> • Vertical integration 	<p>Threats</p> <p>Short-term</p> <ul style="list-style-type: none"> • Commodity prices • Conflicting priorities • Climate conditions <p>Medium-term</p> <ul style="list-style-type: none"> • China (wool production) • Bird diseases/contaminated feed • Reliability of shipping <p>Long-term</p> <ul style="list-style-type: none"> • Climate change • Devaluation of the industry <p>Overarching</p> <ul style="list-style-type: none"> • Pests and disease • Competing for labour with the Oil and Tourism industries • China (wool production) • Wool prices

Barriers & Support

Barrier	Support
<ol style="list-style-type: none"> 1. Lack of collaboration and lack of appropriate 'leader' in the sector; 2. Lack of sound economic decision-making within the sector; 3. Reluctance to invest, lack of buy-in and risk aversion within the industry; 4. Lack of trust/faith. 	<ul style="list-style-type: none"> • Establish independent body consisting of specialists concerned with each Falkland sector. This would require the right individuals and the right leader. This 'Independent Body' could increase collaboration between sectors and provide the platform on which to develop 'The Falklands Brand' for the benefit of all sectors, and the Islands as a whole; • Better development of the Department of Agriculture with support from farmers and the agricultural sector.

Tourism Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Wildlife and its accessibility • Flexibility and resourcefulness • FIGAS • Road network (opened camp) • Friendliness and hospitality • Community based • Links to South America • “Britishness” and unique character • Culture and Heritage • Supplements Camp income • Transparent/not corrupt • Good fishing • Accommodation accreditation scheme • International recognition 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Impact of external politics creating uncertainty • Terminal building • Lack of labour • Road networks (not good enough) • Lack of air links • Lack of winter product • Lack of cohesion • Can be too insular • Complacency • Lack of community buy-in • Banking (no ATMs) • Overseas ownership
<p>Opportunities</p> <p>Short-term</p> <ul style="list-style-type: none"> • Pre and Post cruise ship voyage • Better marketing for local market • New trade events <p>Medium-term</p> <ul style="list-style-type: none"> • Passenger exchange • New offerings • Better marketing for international markets <p>Long-term</p> <ul style="list-style-type: none"> • Air links • Development of infrastructure • Further development of Stanley facilities 	<p>Threats</p> <p>Short-term</p> <ul style="list-style-type: none"> • Economic blockade • Politics • Conflict between local companies • Instability of air links • Complacency • Depopulation of Camp <p>Medium-term</p> <ul style="list-style-type: none"> • Politics • Nearby destinations improving • Other industries take focus • Economic blockade • Instability of workforce <p>Long-term</p> <ul style="list-style-type: none"> • Politics • Impact of any global recession • Ageing workforce • Lack of next generation to take the reins

Barriers & Support

Barrier	Support
<p>The current air terminal is not fit for purpose and is a constraint when welcoming visitors to the islands.</p>	<p>Build better relations with the MoD and for FIG to reinvigorate the MPA Localisation project and to assist privatisation projects.</p>
<p>Lack of resources within the sector (e.g. labour).</p>	<p>Review and update immigration policy to be better suited to the current requirements of businesses.</p>
<p>Cost and inaccessibility of the Falkland Islands.</p>	<p>Increase volumes of visitors to improve economies of scale through better international markets.</p>

Lack of infrastructure.	Increase investment in infrastructure driven by the recommendations in the Tourism Development Strategy.
Lack of investment.	Demonstrate stability and growth within the sector to attract investment from local and overseas sources.
Lack of cohesion within the Tourism sector.	The Falkland Islands Tourist Board to continue to improve communication and reaching out to tourism businesses and operators.

Oil & Gas Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Amount of resources (the sector is prepared to invest to get what it wants done) • Standards-driven • Outcome-driven • Open to and encouraging of new/innovative ideas 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Steep learning curve for local contractors • Remoteness of Islands • Ability to meet standards (locally behind the curve of international standards) • Not enough people or skills to meet current demand
<p>Opportunities</p> <p>Short-term</p> <ul style="list-style-type: none"> • Emerging sector • Knowledge transfer opportunities • Infrastructure development <p>Medium-term</p> <ul style="list-style-type: none"> • Standards driven (opportunity for local companies to come up to international standards) • Waste management • Support services <p>Long-term</p> <ul style="list-style-type: none"> • Opportunity for FIG and private sector to be innovative in a new sector – “go on the journey together” • Creation of economic wealth 	<p>Threats</p> <p>Overarching</p> <ul style="list-style-type: none"> • Uncertainty • Uncertainty of oil price • Local Content – risk policy becomes ineffective • Political • If sanction and large companies enter (e.g. Shell) there is a risk of them dictating what needs to be done and how without local input • Overly accelerated regulation (which may stifle development) • Some Oil Companies not good at planning • If sanction – the influx of big companies taking up opportunities • Growth in sector not sustainable (may not be a permanent sector) • Oil companies become risk adverse • Complacency (businesses don’t continue to develop and risk missing new opportunities) • Shift in public opinion (to become negative against industry e.g. environmental incident)

Barriers & Support

Barrier	Support
<ul style="list-style-type: none"> • Uncertainty in industry • Certainty but urgent requirement. Need time lag to get prepared for requirement. If no or little time is provided, there will be no time for suppliers to react. • Competitiveness: for example, companies bidding for contracts are unwilling to share information, don’t collaborate and share thoughts which can stifle innovation. 	<p>Clarity regarding process, timelines and contractual requirements to be provided by the sector.</p>
<p>The high international industry standards that have been introduced to the Falkland Islands have made it difficult for some businesses to become involved in the sector.</p>	<p>Support to be provided to local companies to obtain international accreditation, such as financing or grants.</p>
<p>Lack of local accreditation and incentive for support services.</p>	<p>Improved communication and promotion of schemes and initiatives that is available to assist in this area (e.g. the Community Development Scheme).</p>

Retail & Business Services Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • SME businesses: a small network of businesses which allows for easy access to resources and knowledge • Major opportunity for innovation; there isn't over-saturation of businesses • Businesses are owner-managed • Business-people have extensive local knowledge and reach to all corners of the community and their customers • That there is a small market means there is a breadth of experience across the board – professional boundaries are much broader than they would be elsewhere • “Specialist Falklands knowledge, but a generalist in your own professional field” 	<p>Weaknesses</p> <ul style="list-style-type: none"> • In relation to all SMEs; if something happens to the owner/manager, there's a massive impact on the business • The longevity of businesses is much less here: businesses tend to be just 1 person deep • The protracted recruitment process • Labour shortages on the Islands • Quality of the internet: speed, cost, lack of services such as online banking • Banking: you need to have an overseas account to operate internationally • Market size: <ul style="list-style-type: none"> ○ Restricts how much you can grow ○ Restricts what services can be developed ○ Services can be limited to the 'elite market' e.g. specific services or products are affordable only by a small, affluent segment of the market • No Continuing Professional Development (CPD) provision means it is difficult to retain employees
<p>Opportunities</p> <p>Short-term</p> <ul style="list-style-type: none"> • Primary short-term opportunity: that there is finance available for individuals to react rapidly to opportunities that arise • “Bottom-tier” service provision e.g. house cleaning, garden/landscaping services in response to increased prosperity • Increased efficiency in terms of what we already have e.g. avoidance of recruitment/immigration processes <p>Medium-term</p> <ul style="list-style-type: none"> • Technology and IT: <ul style="list-style-type: none"> ○ Provision of distance learning and CPD capability ○ Unique selling point: opportunity to work to UK standards irrespective of local legislation • Increased provision of international flights <ul style="list-style-type: none"> ○ Improved access to the Islands ○ Increased ability to bring in people for short-term projects or contracts • An increase in the standards of: <ul style="list-style-type: none"> ○ Customer service ○ Food handling ○ Tourism services/facilities ○ Service support <p>Long-term</p> <ul style="list-style-type: none"> • To have increased staff numbers and capacity to ensure business continuity/longevity • Develop local capacity relating to the provision of high level services 	<p>Threats</p> <p>Short-term</p> <ul style="list-style-type: none"> • A lack of spending or investment by people • Stagnation of the economy • Lack of business know-how for entrepreneurs or people starting out • There's such a small number of suppliers; if even one fails or something happens, it leaves a huge gap • Instability within Govt. policy e.g. Land Policy • Unpredictability of the business environment; dependent upon external agencies e.g. FIG • “Small town mentality”: people don't want to give others a leg-up • Political threat: results of Argentinian elections this year may pose a threat to the Falklands <p>Medium-term</p> <ul style="list-style-type: none"> • UK elections: impact on Falklands • Airbridge and shipping via MOD: <ul style="list-style-type: none"> ○ Cost of the service ○ Reliability ○ Lack of customer service ○ Continuity in service provision • Change in Falklands political system: different MLAs with different priorities • Improved links with South America: <ul style="list-style-type: none"> ○ South American companies setting up their own businesses in FI <ul style="list-style-type: none"> ▪ Competing in a small market ▪ Money flowing out ▪ No integration • Reduction in capacity within Chamber of Commerce <ul style="list-style-type: none"> ○ Impact on innovation and how the industry is represented

<ul style="list-style-type: none"> • International accreditation as an attraction for external recruitment • Greater links to UK/NZ to increase standards • To bring young Falklands people back to work in the Islands; so that they can gain experience in their specific field/sector <ul style="list-style-type: none"> ○ Private-sector led ○ Perhaps collaboration with FIG ○ There is a need for more information on exactly how many students are away; what they are studying etc., so that programmes can be planned to cater for them • Development of policy which would focus on attracting families to the Islands (preserving Falklands culture) <p>Overarching – Oil and Gas</p> <ul style="list-style-type: none"> • Will mean an increase in market size • More opportunities for innovation • More spending power and disposable income • Increased prosperity will mean an increase in the potential for creating niche markets • New people coming into the Islands means new ideas and new demands, and thus will open up new vistas for development 	<ul style="list-style-type: none"> • Consequences if LAN Chile flight stops (previously stopped for 18 months) • Absence of regulation <p>Long-term</p> <ul style="list-style-type: none"> • Lack of, or unbalanced, regulation of monopolies and oligopolies..."regulate to stimulate" • That local companies and service providers will be squeezed out by multinationals bringing down/using their own foreign service providers e.g. Oil and Gas • That localisation won't be enforced • That Falklands life and Camp life is lost • That major infrastructural changes won't happen: <ul style="list-style-type: none"> ○ Ports ○ Overland ○ Telecoms • Stagnation of the economy and the political system: inertia and complacency
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Barriers & Support

Barrier	Support
Time-poor individuals: no time to innovate; busy keeping things running.	Increase the working population Increase provision of training to free people up.
Lack of competition and complacency.	<ul style="list-style-type: none"> • Improved marketing of Falklands products and the Falklands brand • Engaging with people to improve competitiveness
Lack of regulatory frameworks.	This is the responsibility of FIG to review and make improvements.
Poor quality internet.	<ul style="list-style-type: none"> • This is also the responsibility of FIG to try and improve • Introduction of self-provision, even on a small scale • Allow businesses to expand just as businesses in the rest of the world are able to
Lack of continuity and follow-up on ideas and strategies.	Improved collaboration between FIG, FIDC, Private Sector and business associations

Research, Education & Training Sector

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Huge investment in Education • Recognition of the importance of training and research • New recent private initiatives in research and provision of training • Private sector looking for new opportunities/diversification of training offer • Good dialogue across disciplines of research 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Cost of training is disproportionately high • Historically poor quality of in-house training • Access to development training is limited to locals • Problem to maintain qualifications/Lack of continued professional development • Lack of accredited qualifications required by business • Lack of infrastructure (rooms, telecommunications, etc.) • Logistic difficulty to research in islands
<p>Opportunities</p> <p>Overarching</p> <ul style="list-style-type: none"> • Extra capacity for research and training • New networking capacities/collaboration opportunities • More awareness from FIG and private sector of the need for broadening the training offer • New dynamic in providing training because of private initiatives/developments • Research in environmental research 	<p>Threats</p> <p>Overarching</p> <ul style="list-style-type: none"> • Lack of investment in continued professional training • Research has been focussed too much on environmental sciences • Lack of financing for research • Lack of telecommunications/infrastructure for training • External politics • Lack of investment in people and retaining people

Support

<p>Support</p> <ul style="list-style-type: none"> • FIG should support non-locals in their career development. • The eligibility of the Community Development Scheme needs to be broadened to include contractors and the scheme as a whole needs to be regularly reviewed to keep it relevant.
<p>More flexibility to manage courses locally to encourage up-skilling.</p>
<p>Offering training that is more flexible and open to apprenticeships that are more compatible with the needs and requirements of companies and what they are able to offer.</p>
<p>Increase the facilitating and hosting of researchers visiting the islands as part of their research.</p>
<p>Actively do more to encourage scientists to remain in the Falkland Islands for the medium and long-term.</p>



PART B | Falkland Islands Innovation Strategy

An Innovation Strategy for the Falkland Islands

THE STRATEGY

PART B outlines an Innovation Strategy for the Falkland Islands. The strategy draws on three main sources; (1) the Advisory Board agreed vision for innovation in the Falkland Islands, (2) the results of the Stakeholder Consultation held in October 2015 and (3) the OCTA definition for innovation.

The Innovation Strategy aims to instil a mentality of innovation throughout the Falkland Islands public and private sectors. This is to be achieved by making innovation a national priority, by specifically encouraging more local and overseas collaboration between the public sector, the private sector and institutions, increased investment in research and development, long-term planning in the development of people, encouraging innovation through the sharing of risk, and the continuous review and improvements to the Innovation Strategy itself.

Objectives

The objectives of the Innovation Strategy are as follows;

1. Make innovation a national priority for the Falkland Islands;
2. Increase and improve collaboration in the Falkland Islands;
3. Increase research and development in the Falkland Islands;
4. Improve the long-term planning, development and retention of skilled people;
5. Assist the private sector to identify, assess and deliver innovative solutions.

The overarching aim of the objectives is for innovation to play the key role in the economic development of the Falkland Islands. The delivery of innovative solutions to improve products, services and processes will improve efficiencies, increase revenues and ultimately make the Falkland Islands economically more self-sustainable and competitive.

Themes

The Falkland Islands Innovation Strategy has been divided into seven components. Each component is concerned with a particular theme and will contain its own recommendations and explanations. The following is a summary of the seven components;

1. **Government & Policy:** Recommends FIG embed innovation in national priorities and policies;
2. **FIDC:** Making innovation a strategic priority for FIDC and the appointment of an Innovation Manager to lead the delivery of the Strategy;
3. **Stakeholder Support:** Receiving agreement from business associations to collaborate with FIG and FIDC in the delivery of the strategy;
4. **Education & Training:** Improving the long-term planning for the development of people in the islands and those studying overseas;
5. **Research & Development:** Incentivising businesses, institutions and individuals to collaborate more and to conduct more research and development in the Falkland Islands;
6. **Structure & Administration:** Proposes a framework for the strategic and day-to-day management and delivery of the Innovation Strategy;
7. **Performance:** Recommends regular reviews of the strategy and the collection of statistics and information to accurately determine whether the strategy is increasing innovation in the Falkland Islands.

The Innovation Strategy is just the start of a top-down approach in developing a mentality of innovation in the Falkland Islands. The strategy and each of its components will require regular reviews and stakeholder consultation to ensure the strategy remains relevant, ensure progress is being made and to ensure the strategy continues to retain the support of FIG, FIDC and the private sector.

RECOMMENDATIONS

Falkland Islands Government

- R1. FIG to embed innovation in national and government priorities;**
- R2. Members of Legislative Assembly to add innovation as a portfolio responsibility and assign a portfolio holder and deputy portfolio holder;**
- R3. FIG to embed the principle of innovation in future strategic policies and existing strategic policies as they are reviewed.**

The aim of the three 'Government and Policy' recommendations is to make innovation a strategic priority for FIG. The three recommendations would require Executive Council approval and support from all Directors, Heads of Departments and the departments themselves within FIG.

By making the Innovation Strategy a key strategy for FIG ensures innovation in all areas of FIG and the Falkland Islands remains at the forefront of all policies and activities for the long-term and beyond the length of individual contracts and elected assemblies. This would involve ensuring any new policies, reviews of existing policies and procedures, regulation, etc. would be either compliant or complimentary with the Innovation Strategy. On a more operational level, FIG departments would have to assist in the delivery of innovation in the Falklands through their day-to-day activities. This could be encouraged by including an 'Innovation' heading in the Department Business Plan templates.

The creation of an Innovation portfolio raises the issue of innovation with Members of Legislative Assembly (MLAs) and encourages their involvement in the strategy, making it a priority in its own right at the highest level of FIG.

The third FIG recommendation involves the inclusion of the Innovation Strategy as a component in all of FIG's strategic documents. This would include the Economic Development Strategy (EDS), the Rural Development Strategy (RDS), the Tourism Development Strategy (TDS) and the Islands Plan. This ensures the Innovation Strategy remains a key part of policy and the delivery of economic and social development in the Falkland Islands.

Falkland Islands Development Corporation

- R4. FIDC to make innovation a strategic priority;**
- R5. FIDC to lead the Innovation Strategy with the appointment of an Innovation Manager;**
- R6. FIDC to establish an Innovation Project with an allocated budget;**
- R7. FIDC to establish an initiative to promote and encourage greater collaboration between businesses, researchers and institutions.**

The four FIDC recommendations aim to make innovation a priority for the Corporation, which would involve including innovation as a key strategic priority in FIDC's business plan and ensuring all facets of FIDC would be in a position to assist in the delivery of the Innovation Strategy. This would involve

the appointment of an ‘Innovation Manager’, whose role would consist of the project management and administration of the Innovation Strategy.

On an operational level, it is recommended that an innovation project is established at FIDC with an appropriate budget to initially fund and deliver the innovation pilot project. In the future, the project budget would be used for future innovation projects. FIDC Development Officers could also play a key role in the delivery of the strategy. Development Officers will have close contact with business owners and will be in a position to promote the Innovation Strategy and its projects, schemes and initiatives to the benefit of businesses.

The final FIDC recommendation is concerned with encouraging more collaboration between Falkland businesses and local and overseas researchers and institutions. FIDC could carry this out by improving networking, increasing promotions, facilitating dialogue, the hosting of events and an improved understanding of the benefits of partnerships between businesses and institutions. There are instances where this is already taking place in the Falkland Islands and FIDC can work with and learn from these organisations.

Stakeholder Support

- R8. FIDC to seek the support of the Falkland Islands Tourist Board, the Falkland Islands Chamber of Commerce, the Rural Business Association, the Falkland Islands Fishing Companies Association and the Falkland Islands Petroleum Licensees Association.**

The success of the Innovation Strategy depends on the buy-in of the Falkland Islands private sector. As the main beneficiaries of the Innovation Strategy, it is important that the private sector is involved in the strategic and operational delivery of the strategy and is regularly consulted. To ensure this would require the involvement of the business associations of the Falkland Islands. Each business association will be consulted and asked to participate in the delivery of the strategy by sitting on the Innovation Council and administrating and chairing relevant sector working groups, with the assistance of the FIDC appointed Innovation Manager.

Even though the Falkland Islands Tourist Board, as a statutory corporation funded by FIG, is not a business association or part of the private sector it has been included as a key sector stakeholder for Recommendation 8. The rationale behind its inclusion is because of the increasing importance of tourism in the Falklands, the role of FITB and its delivery of the Tourism Development Strategy, and the lack of a tourism business association. Therefore, it is strategically important for FITB to be involved in the delivery of the Innovation Strategy.

Education & Training

- R9. The development and implementation of a programme to improve information and linkages for job opportunities and careers for Falkland students in the Falkland Islands;**
- R10. The establishment of an initiative to encourage more skills and knowledge transfer to the local workforce.**

The overall aim of the two ‘Education and Training’ recommendations is improve career opportunities for returning students and to increase the number and retention of skilled and experienced individuals in the Falkland Islands. By carrying this out ensures skills, experience and knowledge remains in the Falklands to the betterment of economic development and innovation.

The purpose of creating a programme for students is to improve the linkages between all levels of education and career opportunities in the Falkland Islands public and private sectors. This aims to introduce long-term planning to the development of people in the Falklands, which will provide the necessary skills and experience to enable further innovation to take place in the Falkland Islands. The scheme could be developed in partnership between the Department of Education, the private sector and FIDC. The programme could progress in the future to start identifying key skills and qualifications needed to develop innovation and putting incentives in place for people to take the identified opportunities, which is something that is already under consideration by FIG.

A large number of skilled and experienced workers in the Falklands are recruited from overseas, usually on two-year contracts. These individuals provide a short-term solution for the gap of skills and experience in the Falklands, however when they leave the islands at the end of their contract, the gap remains and the overseas recruitment process will restart. To ensure that these key skills and experience remain in the Islands, an initiative is recommended to be established to assist the transfer of skills and experience from contractors to the local workforce. This practice does occur within FIG and the private sector, however it could be strengthened and the practice formalised by learning and building on where good practice already exists. This would hopefully increase the retention of key skills and experience currently unavailable in the Falklands to help foster innovation throughout the Falklands.

Research & Development

- R11. Consider the establishment of a scheme to encourage local and overseas researchers to conduct studies in the Falkland Islands;**
- R12. Investigate the provision of tax breaks for local businesses conducting research and development in the Falkland Islands.**

Encouraging more research and development to take place in the Falkland Islands will improve knowledge and identify opportunities for innovation. Recommendations 12 and 13 propose two particular ways to encourage this. Firstly, Recommendation 12 proposes the establishment of a scheme that encourages more researchers to carry out studies in the Falkland Islands. This does already occur in the Islands with the establishment of the South Atlantic Environmental Research Institute (SAERI) and has proved to be successful. This recommendation aims to build on the work and partnerships of SAERI and encourage this practice throughout the private sector and the Falkland Islands economy. To try and ensure the research is linked to innovation, it might be worthwhile to expect applicants to have secured the support of a local business. The aim of the scheme would be to increase the collaboration between businesses and researchers to identify new opportunities for innovation in the Falklands.

The second research and development recommendation proposes to investigate the provision of a financial incentive to Falkland Island businesses to carry out more research and development. The purpose of this is similar to the above, to increase the identification of new innovation opportunities through increased research in the Falkland Islands.

Structure & Administration

R13. The formation of the Innovation Council (IC);

R14. Sector Working Groups to be established, chaired and administrated by their relevant business association.

This sub-section focusses on the details of how the Innovation Strategy will be delivered on a strategic level and on a day-to-day level, which has been touched upon in the other recommendations. On the strategic side, it is recommended a high-level body is formed to oversee the delivery and review of the Innovation Strategy, and it is suggested to consist of the following roles;

- Chaired by MLA Innovation portfolio holder;
- Second MLA Innovation portfolio (Vice-Chair);
- FIG Financial Secretary;
- FIDC Managing Director;
- FIG Head of Policy;
- Director of Education;
- Chair of the Chamber of Commerce;
- Chair of FITB;
- Chair of FIFCA;
- Chair of RBA;
- Chair of FIPLA;
- Secretary (Innovation Manager).

The IC is advised to meet every six months to review the progress made by the Innovation Strategy and discuss and agree new innovation projects, initiatives and schemes. The IC would be Chaired by the MLA Innovation portfolio holder, Vice-Chaired by the MLA deputy for the Innovation portfolio and administered by the FIDC Innovation Manager. Initially, the IC would use the current vision as a starting point to agree objectives, priorities and the measures for the delivery of the Innovation Strategy.

In the Innovation Strategy structure, underneath the IC are sector specific working groups from each of the major sectors of the Falkland Islands economy. It is recommended that the groups consist of a relevant mix of public and private sector individuals that meet at least two times per annum and are chaired and administered by the relevant business association, receiving assistance from the FIDC Innovation Manager. The purpose of the sector working groups is to promote dialogue and collaboration between sector stakeholders to identify and define achievable innovation opportunities to either deliver by using existing assistance or to report potential projects, initiatives or schemes to the IC.

Performance

R15. Annual statistics are to be collected from FIG, FIDC and the private sector to determine whether innovation is increasing in the Falkland Islands;

R16. The FIDC Business Climate Survey is to include a section on Innovation to collect information from businesses.

Measuring the success of the Innovation Strategy is important in making sure the strategy provides tangible benefits for the Falkland Islands economy and its businesses, and to also retain support for the strategy from all of the parties involved. To measure progress, the types of statistics and

information needs to be carefully identified and provisions need to be put in place to ensure they are collected on a regular basis from the FIG, FIDC and the private sector. For example, the statistics and information collected could involve the total annual investment in research and development in the Falklands, the number of collaborative research studies being conducted by the private sector and researchers, the number of new business start-ups, the international selling power of Falkland exports, the number of new innovation projects, etc.

The innovation measures will need to be agreed from the beginning, so a benchmark for innovation in the Falklands can be set and also so procedures for the collection of the measures can be agreed and established to ensure the accurate and consistent collection of the statistics and information throughout the lifespan of the strategy. This will ensure progress can be accurately measured.

It is also proposed that an innovation section be added to FIDC's biennial Business Climate Survey. This will provide an opportunity for the private sector to provide anonymous feedback regarding the delivery of the Innovation Strategy, specifically and the successes and failures of the strategy. As the Falklands' private sector will be the main beneficiary of the strategy it will be important to ensure their regular input on the delivery of the strategy to make sure it remains on course to achieve its objectives and is fit-for-purpose.

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PART **C** | Falkland Islands Innovation Strategy

Action Plan

FALKLAND ISLANDS DEVELOPMENT CORPORATION

THE ACTION PLAN

PART C is the Action Plan for the Innovation Strategy. The Action Plan outlines the tasks/actions, outputs/outcomes, owner/resources and timescales/milestones of the Strategy, specifically its recommendations.

Falkland Islands Government

Recommendation		Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones
R1	FIG to embed innovation in national and government priorities.	Submit paper to Executive Council recommending FIG make Innovation a national and government priority.	Executive Council approval is received and Innovation is made a national and government priority. FIG assists and supports the promotion of innovation in the Falkland Islands by incorporating it into its day-to-day operations.	Innovation Manager	February 2016
R2	Members of Legislative Assembly to add innovation as a portfolio responsibility and assign a portfolio holder and deputy portfolio holder.	Submit paper to Executive Council recommending Members of Legislative Assembly (MLA) create an Innovation portfolio and assign a portfolio holder and deputy holder.	Support from the highest level in FIG is provided to the Innovation Strategy with the creation of an MLA Innovation portfolio. Two MLAs are assigned as portfolio holder and deputy portfolio holder.	Innovation Manager	February 2016
R3	FIG to embed the principle of innovation in future strategic policies and existing strategic policies as they are reviewed.	Submit paper to Executive Council recommending the Innovation Strategy is embedded into future strategic and policy documents from then on.	FIG to ensure innovation is a priority in any new national strategies and policies or incorporated during the review of existing national strategies and policies.	Innovation Manager and FIG Policy Unit	February 2016

FALKLAND ISLANDS DEVELOPMENT CORPORATION

Falkland Islands Development Corporation

Recommendation		Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones
R4	FIDC to make innovation a strategic priority.	Submit paper to the FIDC Board recommending Innovation is made a strategic priority for FIDC.	FIDC Board support is received and innovation is made a strategic priority for FIDC. FIDC includes innovation as a priority in its Business Plan.	Innovation Manager	Completed on the 3 rd December 2015
R5	FIDC to lead the Innovation Strategy with the appointment of an Innovation Manager.	Submit paper to the FIDC Board recommending the appointment of the FIDC Business Relations Manager as the Innovation Manager.	The appointment of an Innovation Manager enables FIDC to lead the development and delivery of the Innovation Strategy by encouraging innovation throughout the Falkland Islands in collaboration with FIG and the private sector.	Innovation Manager	Completed on the 3 rd December 2015
R6	FIDC to establish an Innovation Project with an allocated budget.	Submit a paper to the FIDC Board recommending the continuation of the Innovation project and the allocation of an additional £49,000 to the project for the 2016/2017 financial year.	An approved and appropriately funded Innovation project, with clear objectives and outcomes, for the 2016/2017 financial year.	Innovation Manager	Completed on the 3 rd December 2015 (budget subject to FIG subvention approval)
R7	FIDC to establish an initiative to promote and encourage greater collaboration between businesses, researchers and institutions.	The Innovation Manager to devise an initiative to encourage Falkland businesses to collaborate more with institutions, such as research organisations, universities, etc. The initiative will be presented to the FIDC Board for final approval.	A FIDC Board approved initiative that helps facilitate Falkland businesses and institutions to develop relations and partnerships, which could lead to the identification of new innovative business opportunities.	Innovation Manager	June 2016

FALKLAND ISLANDS DEVELOPMENT CORPORATION

Stakeholder Support

Recommendation	Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones	
R8	FIDC to seek the support of the Falkland Islands Tourist Board, the Falkland Islands Chamber of Commerce, the Rural Business Association, the Falkland Islands Fishing Companies Association and the Falkland Islands Petroleum Licensees Association.	Innovation Manager to meet with key Falkland Island stakeholders, such as business associations and the Falkland Island Tourist Board, to discuss and seek their official support for the Innovation Strategy.	Complete private sector buy-in for the Innovation Strategy, which demonstrates its support by providing expertise and resources to aid the development of innovation in the Falkland Islands. For example, an active role on the Innovation Council and the Sector Working Groups.	Innovation Manager	May 2016

Education & Training

Recommendation	Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones	
R9	The development and implementation of a programme to improve information and linkages for job opportunities and careers for Falkland students in the Falkland Islands.	Innovation Manager to work with the FIG Department of Education to create improvements in the career advice provided to potential and existing overseas Falkland students and the career opportunities for returning Falkland students.	Falkland students to have a better understanding of the career opportunities in the Falklands and how higher and further education can shape careers. Also, a partnership programme between FIDC, FIG and the private sector to assist returning Falkland students with career opportunities.	Innovation Manager, FIG Department of Education and Chamber of Commerce	December 2016
R10	The establishment of an initiative to encourage more skills and knowledge transfer to the local workforce.	Innovation Manager, the FIG Policy Unit and the Chamber of Commerce to create an initiative to encourage more skills and knowledge transfer from contractors and consultants to the local workforce.	An approved initiative that provides key guidelines to Directors and Managers within FIG and the private sector to facilitate skills and knowledge transfer to Falkland resident employees.	Innovation Manager, FIG Policy Unit and Chamber of Commerce	December 2016

FALKLAND ISLANDS DEVELOPMENT CORPORATION

Research & Development

Recommendation		Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones
R11	Consider the establishment of a scheme to encourage local and overseas researchers to conduct studies in the Falkland Islands.	Work with stakeholders to identify solutions to alleviate barriers that prevent research taking place in the Falkland Islands.	An approved scheme that increases the number of overseas researchers conducting their studies in the Falkland Islands.	Innovation Manager	September 2016
R12	Investigate the provision of tax breaks for local businesses conducting research and development in the Falkland Islands.	Innovation Manager to work with the FIG Treasury to discuss options for tax breaks/credits being provided to Falkland businesses carrying out research and development in the Falklands.	A financial incentive, through tax breaks/credits, encourages more businesses to carry out research and development in the Falklands Island in order to identify new innovative business opportunities.	Innovation Manager and FIG Treasury	June 2017

Structure & Administration

Recommendation		Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones
R13	The formation of the Innovation Council.	Innovation Manager to build upon the support provided from key stakeholders, to invite influential individuals from FIDC, FIG and the private sector to join the Innovation Council.	A highly driven Innovation Council formed by key individuals from FIDC, FIG and the private sector to work together to stimulate and encourage innovation in the Falkland Islands.	Innovation Manager	July 2016
R14	Sector Working Groups to be established and to be chaired and administrated by their relevant business association.	The Innovation Manager is to work with the business associations of the Falkland Islands, other members of the private sector and FIG to form working groups for the key sectors of the economy.	Each key sector of the Falkland's economy is represented by sector working groups consisting of the public and private sectors, which is managed by the relevant business association and assisted by the Innovation Manager.	Innovation Manager, Chamber of Commerce, FIFCA, RBA, FIPLA and FITB	July 2016

FALKLAND ISLANDS DEVELOPMENT CORPORATION

Performance

Recommendation		Task or Action	Output or Outcome	Owner/Resources	Timescales & Milestones
R15	Annual statistics are to be collected from FIG, FIDC and the private sector to determine whether innovation is increasing in the Falkland Islands.	The Innovation Council is to agree a set of statistics which are to be collected to initially form the benchmark for innovation in the Falklands and to be continuously used to measure the performance and delivery of the Innovation Strategy.	A set of statistics agreed by the Innovation Council which are collected on an annual basis by FIDC, FIG and the private sector to measure the Innovation Strategy's performance in achieving its objectives.	Innovation Council, Innovation Manager, FIG Policy Unit, Chamber of Commerce, FIFCA, RBA, FIPLA and FITB.	December 2016
R16	The FIDC Business Climate Survey is to include a section on Innovation to collect information from businesses.	FIDC to include a set of questions that assess the level of innovation in the Falkland Islands private sector in the 2016 edition and each subsequent edition of the Business Climate Survey.	From the 2016 Business Climate Survey edition and onwards, a standard set of questions will be included in the survey to gauge the level of innovation in the Falkland Islands private sector to help guide the Innovation Council in its decision-making.	Innovation Manager	April 2016

APPENDIX A – Innovation Workshop Programme

Seminar 1 – Innovation in the Falkland Islands

Time		Activity
Hour	Min	
7	45	7.45am - 8am (15 mins) FIDF Bar to open
7	50	
7	55	
8	0	8am - 8.15am (15 mins) Welcoming and organising innovators
8	5	
8	10	
8	15	8.15am - 8.30am (15 mins) MB Presentation
8	20	
8	25	
8	30	8.30am - 8.35am (5 mins) Facilitator introduction
8	35	8.35am - 8.50am (15 mins) Group Introductions Question: Are the Falklands Innovative?
8	40	
8	45	
8	50	8.50am - 9am (10 mins) SWOT Analysis: Innovation in the Falkland Islands - <u>Strengths</u>
8	55	
9	0	9am - 9.10am (10 mins) SWOT Analysis: Innovation in the Falkland Islands - <u>Weaknesses</u>
9	5	
9	10	9.10am - 9.20am (10 mins) SWOT Analysis: Innovation in the Falkland Islands - <u>Opportunities</u>
9	15	
9	20	9.20am - 9.30am (10 mins) SWOT Analysis: Innovation in the Falkland Islands - <u>Threats</u>
9	25	
9	30	
9	35	9.30am - 9.45am (15 mins) Break
9	40	
9	45	
9	50	9.45am - 10.35am (50 mins) Reporting SWOT Analysis back to the Workshop; 1. Strengths (12.5 mins) 2. Weaknesses (12.5 mins) 3. Opportunities (12.5 mins) 4. Threats (12.5 mins)
9	55	
10	0	
10	5	
10	10	10.35am - 10.45am (10 mins) Question: What are the barriers that prevent Falkland businesses from innovating?
10	15	
10	20	
10	25	
10	30	
10	35	
10	40	10.45am - 10.55am (10 mins) Question: Realistically, what support can be provided to assist businesses to innovate?
10	45	
10	50	10.55am - 11.05am (10 mins) Question: What are the key factors that need to be addressed to ensure a long-term innovation strategy for the Falkland Islands is successful?
10	55	
11	0	
11	5	11.05am - 11.20am (15 mins) Break
11	10	
11	15	
11	20	11.20am-11.50am (30 mins) Reporting back to the Workshop 1. Barriers (10 mins) 2. Support (10 mins) 3. Key factors for a national strategy (10 mins)
11	25	
11	30	
11	35	
11	40	
11	45	
11	50	Buffer
11	55	

Seminar 2 – Sector Innovation

Time		Activity
Hour	Min	
1	0	1pm - 1.15pm (15 mins) Welcoming and organising innovators
1	5	
1	10	
1	15	1.15pm - 1.25pm (10 mins) What examples of innovations have benefitted your sector?
1	20	
1	25	1.25pm - 1.35pm (10 mins) What are the strengths of your sector?
1	30	
1	35	1.35pm - 1.45pm (10 mins) What are the weaknesses of your sector?
1	40	
1	45	1.45pm - 2pm (15 mins) What are the three key opportunities for innovation in your sector in the short-term (0-1 years), medium-term (1-5 years) and long-term (5+ years)?
1	50	
1	55	
2	0	2pm - 2.15pm (15 mins) What are the three key threats for innovation in your sector in the short-term (0-1 years), medium-term (1-5 years) and long-term (5+ years)?
2	5	
2	10	
2	15	2.15pm - 2.30pm (15 mins) Break
2	20	
2	25	
2	30	2.30pm - 3.20pm (50 mins) Reporting back the sector SWOT analysis 1. Fishing sector 2. Agriculture sector 3. Tourism sector 4. Oil and Gas sector 5. Business Services and Retail sector 6. Research, Training and Education
2	35	
2	40	
2	45	
2	50	
2	55	
3	0	3.20pm - 3.30pm (10 mins) What are the top five barriers that prevent innovation in your sector?
3	5	
3	10	
3	15	3.30pm - 3.40pm (10 mins) Working through each of the identified barriers, agree a suggestion of the support that can be provided to alleviate the barriers?
3	20	
3	25	
3	30	3.40pm - 3.55pm (15 mins) Break
3	35	
3	40	
3	45	3.55pm - 4.25pm (30 mins) Reporting back to the group; (1) sector barriers and support
3	50	
3	55	
4	0	
4	5	
4	10	
4	15	4.25pm - 4.30pm (5 mins) Buffer
4	20	
4	25	
4	30	

APPENDIX B – Innovation Questionnaire [Template]**Innovation Strategy for the Falkland Islands**

Questionnaire for X

October 2015

**INTRODUCTION****Territorial Strategies for Innovation**

The European Union has 22 Overseas Countries and Territories (OCTs) as members of its Overseas Countries and Territories Association (OCTA). One aim of OCTA is to contribute to the sustainable development of all of the EU's OCTs, with priority given to innovation, competitiveness and green growth. Based on this aim, OCTA has developed a dedicated project to spur innovation in OCTs called the 'Territorial Strategies for Innovation', which was officially launched on the 6th June 2014 in Brussels. This project provides technical and demand-driven services to OCT governments.

The European Commission has allocated a budget of €5m for the 'Territorial Strategies for Innovation' project, specifically for technical assistance and the implementation of pilot projects in OCTs. The technical assistance contract was awarded to Eurecna (Italy) and Egis (France) for a four-year period (April 2014-March 2018) and a core team of experts will be based in Brussels. The experts will help OCTs to;

- Establish an innovation strategy;
- Establish actions plans for implementing the innovation strategy;
- Create training tools to raise awareness of innovation;
- Facilitate an innovation network through.

Innovation Strategy for the Falklands

FIDC took over as Innovation Manager for the Falkland Islands in April 2015 after receiving approval from the Falkland Islands Development Board. The project has established an Advisory Board, which has so far met on two occasions. Its purpose is to provide advice, experience and knowledge to the Innovation Manager and facilitate the formulation and implementation of an Innovation Strategy for the Falkland Islands. The Advisory Board consists of nine individuals from the private and public sector.

The Advisory Board have formulated a phase of stakeholder consultation in the form of an Innovation Workshop, which will take place on the 16th October 2015 at the FIDF Bar. The purpose of the workshop is gain a better understanding of innovation in the Falkland Islands and use the information gleaned from the workshop to create a long-term innovation strategy for the Falkland Islands.

Innovation Definition

According to OCTA;

"Innovation is really about responding to change in a creative way; it's about generating new ideas, conducting R&D, improving processes or revamping products and services. At another level, it's also a mindset in your business; your employees are always focused on continuous improvement and constantly thinking outside of the box.

In the context of TSI this means changing or creating more effective processes, products and ideas that will increase the likelihood in the OCTs of increasing in competitiveness and achieving sustainable economic growth."

QUESTIONS

If you have received this Questionnaire, you were unable to attend the Innovation Workshop but have been identified as a key stakeholder. The purpose of this Questionnaire is to ensure you have been consulted in the development of a long-term Innovation Strategy for the Falkland Islands. Could you please provide a response to the following questions?

Innovation in the Falkland Islands (Part 1)

The following questions are focussed on the broader sense of innovation in the Falkland Islands.

Question 1 – Can you perform a SWOT analysis on the Falkland Islands as a place to carry out innovation? Please order your top five in each area in priority or magnitude.

<p>Strengths [of the Falklands business environment]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5. 	<p>Weaknesses [of the Falklands business environment]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5.
<p>Opportunities [for innovation]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5. 	<p>Threats [to innovation]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5.

Question 2 – What are the top five barriers that prevent Falkland businesses from innovating in order of magnitude? Please provide a brief explanation for each.

Rank	Barrier	Brief Explanation
1		
2		
3		
4		
5		

Question 3 – Realistically, what support can be provided to assist businesses to innovate?

Question 4 – What are the key factors that need to be addressed to ensure a long-term innovation strategy for the Falkland Islands is successful?

Sector Innovation (Part 2)

This section of the Questionnaire is focussed on a specific sector. Could you answer your questions in relation to the **X** sector?

Question 1 – Can you perform a SWOT analysis on your industry? Please order your top five in each area in priority or magnitude.

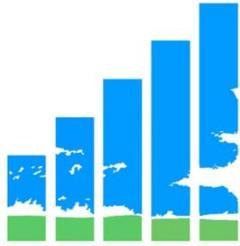
<p>Strengths [of your sector]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5. 	<p>Weaknesses [of your sector]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5.
<p>Opportunities [for innovation in your sector]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5. 	<p>Threats [to innovation in your sector]</p> <ol style="list-style-type: none"> 1. 2. 3. 4. 5.

Question 2 – What are the top five barriers that prevent businesses in your sector from innovating in order of magnitude? Could you also please provide a brief explanation of the barrier and what support could be provided to overcome the barrier?

Rank	Barrier	Brief Explanation	Potential Support
1			
2			
3			
4			
5			

APPENDIX C – Complete SWOT Analysis (Innovation in the Falkland Islands)

<p>Strengths</p> <ul style="list-style-type: none"> • Worldwide recruitment/Overseas Education/multiculturalism • Cultural resourcefulness • Access to decision makers and knowledge/Easy communication in FI • Wildlife/Natural Resource • British Overseas Territory • Island community • Education system • Lack of resources/small market – forced to innovate • Solution focussed (political threat) • Jack of all trades/Skills • Availability of capital • Traditional values • FIDC (assistance) • Strong economy • Environment • High number of qualified people • Ability to respond to change • Good UK links • Basis Strong legal system • Ability to provide English qualifications • Low/stable tax regime 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of Labour/capacity and Immigration • Monopolies Regulation/Telecommunications • Remoteness/Distance to markets/ Small market/ International links • Public Sector – Lack of continuity (staff), Bureaucracy, short-termism, indecision • Small town mentality/resistance to change • Lack of infrastructure • Investment policy • High costs • Waste management • FIG indecision • Lack of buy in • Argentina • Climate • Banking services • Foreign capital take opportunities due to lack of local skills • Regulations • Shackled by history • Difficult to add value • Low expectations • Don't learn from mistakes • Access to finance • Risk adverse • Lack of training • Aging population • Political interference/redirections • Lack of capacity/skills
<p>Opportunities</p> <ul style="list-style-type: none"> • Improvements to networks (telecommunications, international links) • Add value to products/Improved marketing • Review immigration • Maximise natural resources • Financing/banking • Waste management • policy/recruitment/integration • Improved overseas presence (tradeshows, seminars, etc.) • Research opportunities • Infrastructure improvements • Diversification • Political situation (need solutions) • Public sector opportunities for innovation • Improved childcare • Localisation • Import substitution • Oil industry • Energy sector • Build on trade relationships • Build partnership with local companies • Improved communication between public and private sector • Better integration of contractors • Accommodation 	<p>Threats</p> <ul style="list-style-type: none"> • Politics • Lack of review on the Immigration policy/brain drain • Lack of strategic planning • Complacency • Regulation of Monopolies/lack of competition • Changes in global markets • Lack desire of people to return • Telecommunications prevent innovation • International links • Too focussed on traditional industries • Lack of diversification • No oil development • Lack of international marketing • Developments in St Helena (lack of migration to FI) • FIG indecision • Need to meet international standards • UK withdrawal from EU • Full employment • Isolation • Aging Infrastructure • Wages may not competitive • Climate change • Camp depopulation • Lack of investment in Camp



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