



BUSINESS CLIMATE SURVEY 2023

Falkland Islands Development Corporation

IN PARTNERSHIP WITH

The Falkland Islands Tourism Association,
The Falkland Islands Chamber of
Commerce, The Rural Business Association.

The Business Climate Survey 2023 was produced by FIDC.

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Introduction

The Business Climate Survey presents the business community with an anonymous and confidential platform to provide essential feedback to the Falkland Islands Development Corporation (FIDC). The survey focuses on business background, business performance, economic performance and innovation as well as an opportunity for businesses to feedback on the performance of FIDC and their respective business associations. FIDC asks businesses to look back on their last 12 months of trading as well as looking to the future to ascertain an image of the current and predicted economic performance and business growth.

In this 2023 edition of the survey, FIDC partnered with the Falkland Islands Tourism Association (FITA), the Falkland Islands Chamber of Commerce (FICoC) and the Rural Business Association (RBA). This is the second Business Climate Survey that the Falkland Islands Tourism Association has partnered. The Falkland Islands Chamber of Commerce has supported the survey since 2012 and the Rural Business Association since 2016. Their support continues to be greatly valued by FIDC. As the survey evolves FIDC has worked with these key strategic partners to review, update, and amend the questions to provide a snapshot in time of how the economy and businesses in the Islands are performing.

This is the 12th edition of the Business Climate Survey run by FIDC. This biennial survey has increased in importance with each edition and the survey has grown and adapted to the needs of the business community. The first ever survey in 2003 consisted of 11 questions and was originally run annually before continuing as a biennial survey. The 2023 edition is the longest edition of the Business Climate Survey ever run, with a total of 75 questions. The reason for this extraordinary length was for the first time, the inclusion of all three of the business associations who have partnered on the survey before (FITA, FICoC and RBA) with an extended RBA section focusing on climate change and other barriers to rural growth.

FIDC continuously works to improve the response rate to the survey and partnership with the business associations supports this through them promoting and encouraging their membership to complete the survey. This year a total of 256 copies were distributed (compared with 264 in 2021) with 93 responses received (92 in 2021), a response rate of 36% an increase from 34% in 2021. This is the fifth time that the Business Climate Survey has been distributed online via the Survey Monkey platform.

The Business Climate Survey is an important tool for the Corporation and the results from the survey help to inform and shape the FIDC Corporate Plan, providing justification for the development and implementation of new projects, initiatives, and schemes. Particular attention is paid to the barriers to business growth identified within the survey responses and how these can be addressed.

FIDC would like to thank all businesses who took the time to participate in the survey.

Section 1 Business Background

Introduction

The survey opens with a section of questions that seek to gain information regarding the respondents' businesses. It is important to understand the background of the businesses operating in the Islands, gaining key insights into characteristics such as how long these businesses have operated, the type of business, what primary and secondary sectors they operate in, the size of the business, ownership structure, and staffing levels. These insights enable us to identify trends via the analysis of the responses throughout the survey and when looking back at previous years' data to draw comparisons.

The results from this section can be found in full in the Appendix on page 67.

Highlights

- 36 businesses have been established since 2011;
- 6 new businesses have been established in the last 12 months;
- 45% of businesses who responded to the survey are Limited Companies;
- 30% of businesses who responded to the survey are Sole Traders;
- Tourism was the largest primary industry with 22 responses;
- 26% of businesses noted Tourism as their secondary industry;
- 57% of respondents are members of the Falkland Islands Chamber of Commerce, 27% are members of the Falkland Islands Tourism Association, 21% are members of the Rural Business Association, and 9% are members of the Falkland Islands Fishing Companies Association;
- 25% of businesses who responded to the survey are not members of any Business Associations in the Islands;
- The estimated average size of a Falkland Islands business in 2022 is 14 employees.

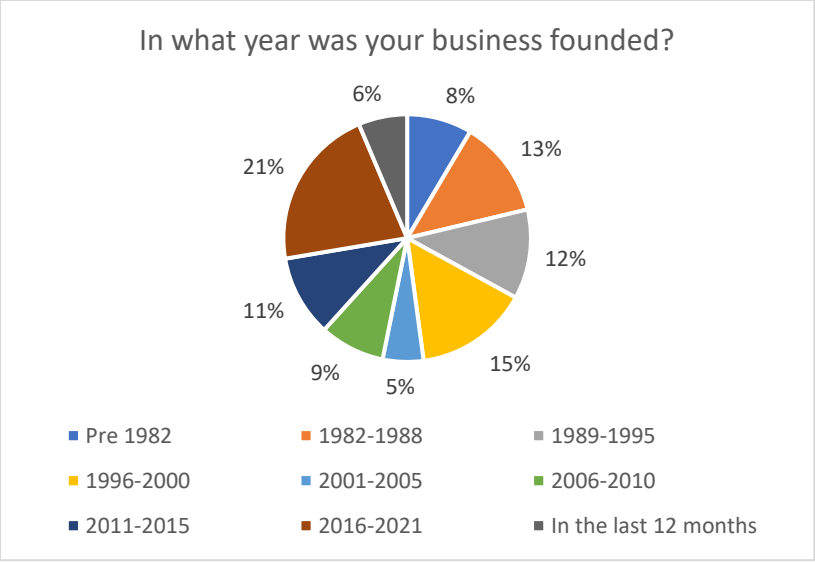
Results

Question 1: In what year was your business founded?

The first question of the survey asks respondents to provide information about the year their businesses was founded. The starting point for data collection is pre-1982, businesses who were in operation prior to the Falklands War and the implementation of the Shackleton Report, which saw FIDC founded in 1983, with the purpose of stimulating the Islands' economy.

For the second year in a row, there was an increase in the number of businesses formed pre-1982 responding to the survey, with a total of 8 responses (up from 7 in 2021, and 5 in 2020), with 50% of these businesses operating in the Agricultural and Animal Related Services sector, one of the oldest traditional industries in the Islands. There were a further 12 business who indicated that they were founded in the period 1982-1988, up from 10 in the 2021 edition of the survey. When looking at the 20 oldest business who responded to the survey (pre-1989), 42% of these selected Agriculture and

Animal Related Services as their primary sector, with a further 21% selected Fishing. Tourism was the largest secondary industry selected, with 44% of responses.

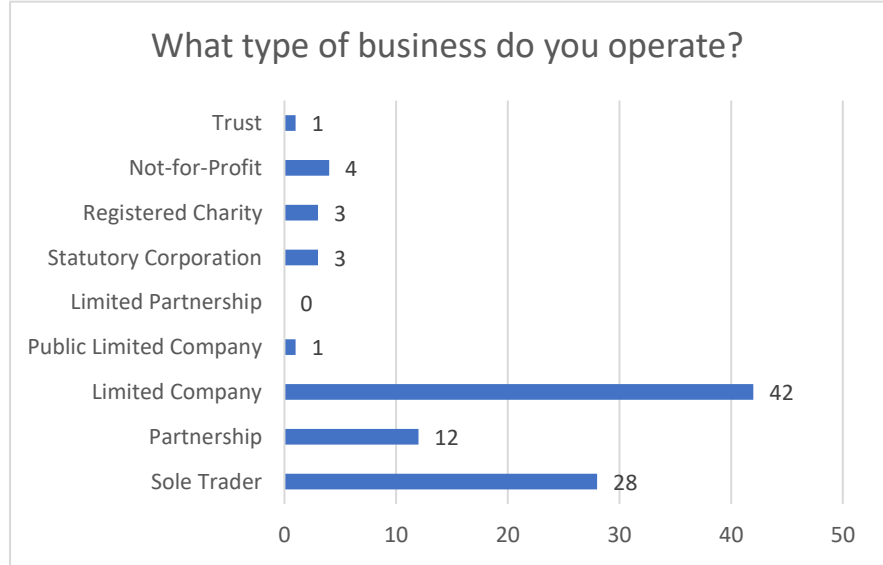


The largest period of growth for the formation of new businesses was in the period 2016-2021, with 20 new businesses established over the 5-year period, representing 21% of the overall survey responses. Within the last 12 years there were a total of 36 new businesses established, representing 38% of the survey responses, with 10 business founded in the period 2011-2015, and a further 6 new businesses established within

the last 12 months. In the 2021 edition of the survey, there were only 4 businesses who responded to the survey that were established within the last 12-month period, so we have seen some increase in business growth, potentially indicating more confidence in the Islands' economy. The largest represented primary sector for these 6 new businesses was Tourism, with 3 selections, and for secondary industries were Agricultural and Animal Related Services, and Land Transport, with 2 selections each. Tourism also received one selection for secondary industries, indicating a recovery of the sector with the reestablishment of the LATAM Santiago route and the Cruise industry.

Question 2: What type of business do you operate?

Respondents to the survey were asked to provide information on the business structure. This year saw a slight increase in overall responses to the survey, up from 92 in 2021 to 94 in 2023. There was a significant increase in the number of Limited Companies responding to the survey, up from 37% in 2021 to 45% in this edition of the survey. The number of Sole Traders operating has continued to decline, with 30% selecting this option, compared to 40% in 2020, and 38% in 2021. This could indicate a shift from those operating as sole traders to incorporating their businesses. Looking at the



types of Professional Fees Grant awarded by FIDC in the financial period 2022-2023, there were 3 instances of businesses operating as sole traders who used this assistance to access legal assistance to incorporate their businesses.

The third largest selected option was Partnerships, with 13% of respondents

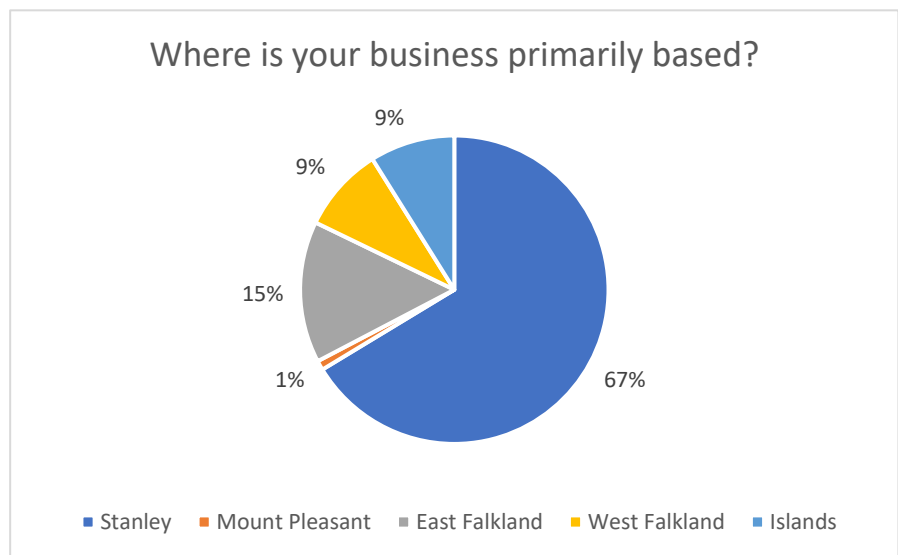
selecting this option. This is the same percentage as seen in the 2021 edition of the survey. All of the partnerships operate outside of Stanley (evenly distributed over East and West Falkland), with 67% of these in the Agricultural and Animal Related Services sector, reflecting the family nature of the farming industry, often run by couples.

When looking in more detail at the business who selected Limited Company, 26 were founded pre-2005, the same number of responses as in the 2021 edition of the survey. However, there is a decrease in the percentage compared to the previous survey, from 72% in 2021 to 62% in 2023. The largest period for Limited Companies to be formed was 2016-2021, with 9 selections. In the last 12 months, there were 2 limited companies established.

Four businesses selected to respond via the 'Other' option, these were 'Independent Committee', 'Company by Limited Guarantee', 'Farming' and 'Cooperative'.

Question 3: Where is your business primarily based?

As in previous editions of the survey, Stanley was the highest selected option, with the majority of respondents indicating that was where their business was based. There are 63 business (67% of respondents) based in Stanley, a decrease in percentage from the 2021 edition of the survey with 72% of responses. The percentage of business operating on East Falkland



increased slightly to 15%, and West Falkland remained the same at 9%. The largest increase in businesses operating outside of Stanley came from the islands, up from 5% in 2021 to 9% in 2023.

This year one business stated that it operated from Mount Pleasant. This is the first time since the 2018 edition of the survey that any business has indicated this. In addition to this, the one response to 'other' noted that the majority of their work was based at Mount Pleasant. The full response to the 'Other' can be found in the appendix on page 68.

Question 4: Is your business a member of the following business associations?

This question provides data around the business association membership of survey respondents, who can select more than one option if they are a member of more than one association, or indicate if they currently are not members of any of the existing business associations in the Islands.

As in the previous two editions of the survey, the Falkland Islands Chamber of Commerce had the highest membership rate of respondents, with 57% stating they were members. This is a percentage decrease from the 2021 data, which had 68% of respondents selecting the option. However, in the 2021 edition of the survey, there was no option to indicate non membership, resulting in those not involved in business associations skipping the question. If we look instead at the number of

responses rather than the percentage, we can see an increase from 41 responses in 2021 to 54 responses in 2023.

Of the 54 members of the Chamber of Commerce, we can see that some of these businesses also hold memberships within the other associations, with 16 being members of Falkland Islands Tourism Association (FITA), 10 being members of Rural Business Association (RBA) members, and 8 being members of Falkland Islands Fishing Companies Association (FIFCA). The majority of Chamber of Commerce member business are based in Stanley, with 42 responses (78%), and 12 further businesses (22%) indicating they were based outside of Stanley (East Falkland 4, West Falkland 1, and Islands 7). This is a significant increase from the 2021 edition of the survey, where only 5 businesses (12% of Chamber members) stated they operated outside of Stanley.



As seen in the previous edition of the survey, most Chamber member businesses were founded prior to 2010, increasing from 61% in the 2021 edition to 65% in 2023. Of the 21 Chamber member businesses formed since 2011, 8 were founded in the period 2011-2015, with a further 8 in the period 2016-2021. There were 3 new businesses formed within the last 12 months that are Chamber members, meaning the 50% of the youngest businesses responding to the survey have undertaken a Chamber of Commerce membership. The majority of Chamber members are Limited Companies (67%), and 13 of the 15 primary sectors were represented, reflecting a broad membership and remit of the Chamber, which is not specific sector focussed. The largest represented primary sector was Tourism, with 13 selections, followed by Fishing with 8, and Retail with 6.

FITA had the second highest number of members responding to the survey, surpassing the RBA, who was second in 2021. Of those that responded, 25 businesses indicated they were a member of FITA, up from 17 in 2021. This may be indicative of the potential decline in the tourism business operating in 2021, which was a period without a cruise ship season, reduced land-based tourism due to the airlinks with South America being suspended, and quarantine measures for COVID-19 being in place. However, when we look at the year the businesses were founded in, all of the FITA membership was founded pre-2021, with no new businesses founded within the last 12 months. This could either indicate that some of those business reduced their membership during the 2021 period, or the survey was better promoted to this sector this time round.

As to be expected, the majority of those indicating FITA membership identified Tourism as their primary industry (48%). It was also the largest selected secondary sector, with 12 (55%) of businesses indicating that Tourism was a sector they worked within alongside their primary sector. There were 12 FITA members who indicated that they were a Limited Company, and 7 stating they were a Sole Trader. Of FITA members are based in Stanley (52%), 6 operate from the Islands, 4 on East Falkland and 1 each on West Falkland and Mount Pleasant.

There were 20 business who indicated that they were members of the RBA, a slight increase from 19 in 2021. As expected, most of the business are based outside of Stanley, with 8 on East Falkland, and 4 each on West Falkland and the Islands (16 businesses based in Camp). There has been a slight increase in the number of RBA members based in Stanley, up from 3 in 2021 to 4 in 2023. The largest represented primary industry is Agriculture and Animal Related Services, with 11 of the 20 businesses operating in this sector, followed by Tourism with 4 selections. Tourism was the largest selected secondary industry, with 10 responses, followed by Agriculture and Animal Related Services, and Restaurants and Hotels, each with 6 selections.

Not one RBA member indicated that their business was formed within the last 12 months. Only 5 of the 20 businesses were founded since 2010, and all of these were in the period 2016-2021. 50% of the RBA membership that operate as Limited Companies 30% operate as Sole Traders, and a further 15% as Partnerships.

There were 8 respondents who indicated they were members of FIFCA, up from 3 in 2021. All members of FIFCA indicated they also held membership with the Chamber of Commerce, and one also held membership with FITA. All the FIFCA members were founded pre-2005, with 6 of the 8 founded pre-1995. Most FIFCA members operate as Limited Companies (7 out of 8 responses), and all are based in Stanley. The largest primary sector for FIFCA membership is Fishing, with 7 selections, and the largest secondary sector for FIFCA members is Real Estate, with 5 of the 8 businesses selecting this option.

This year was the first-time businesses could indicate that they were not a member of any of the business associations operating in the Islands. There were 23 businesses who stated that they held no membership (24% of overall survey respondents). Many of the businesses who do not hold any membership are younger businesses, with 11 of the 23 being founded since 2016. Of business founded in the period 2016-2021, 45% do not hold any memberships, and neither do 50% of the businesses founded within the last 12 months. The majority of businesses who are not members of any of the associations are Sole Traders (43%), and 78% of businesses not holding a membership are based in Stanley. The largest represented primary sector that does not hold any membership is Business Services, with 5 selections.

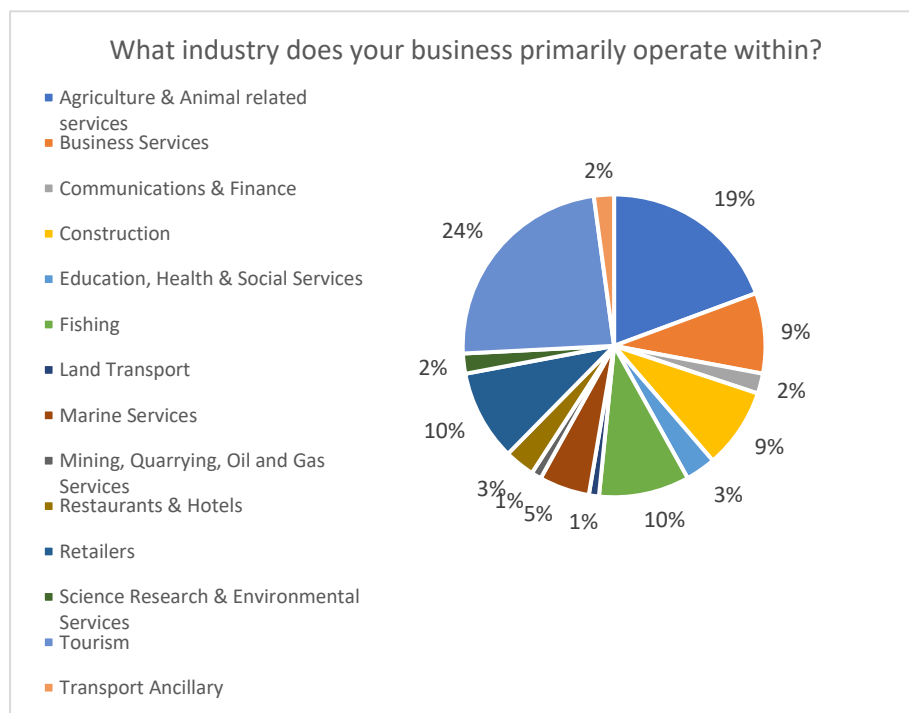
Question 5: Which industry does your business primarily operate within?

This year the primary industries as options within the survey were reviewed and updated. Agriculture was extended to Agriculture and Animal Related Services. Mining and Quarrying was combined with Oil related Services to create a new option: Mining, Quarrying and Oil Related Services. Two further new additions were made: Education, Health and Social Services, and Science, Research and Environmental Services. Oil and Gas, and Oil and Gas Related Services were removed as individual options. In total there were 15 primary sector options to choose from.

This edition of the survey saw an increase in the number of primary sectors selected, up from 12 in 2021 to 14 in 2023. As in the 2021 edition of the survey, Tourism was the largest represented primary industry, with 22 responses at 24%, a slight increase from 19 (21%) in 2021. Since 2016, the Tourism sector has continually grown, significantly increasing from the 6 businesses selecting this as a primary sector in 2016. The second largest primary sector represented was Agriculture and Animal Related Services, with 18 selections, up from 17 in 2021.

Industry	Distributed	Target	Responses	% of Target Achieved	Overall % of Industry Responses
Agriculture and Animal Related Services	80	33	18	56%	23%
Business Services	36	18	8	44%	22%
Communications and Finance	6	3	2	66%	33%
Construction	34	13	8	62%	26%
Education, Health and Social Services	4	2	3	150%	75%
Fishing	14	7	9	129%	64%
Land Transport	5	2	1	50%	20%
Marine Services	7	3	5	166%	71%
Mining, Quarrying, Oil and Gas Related Services	1	1	1	100%	100%
Real Estate	4	2	0	0%	0%
Restaurants and Hotels	11	6	3	50%	27%
Retailers	23	11	9	82%	36%
Science Research and Environmental Services	4	2	2	100%	50%
Tourism	22	11	22	200%	100%
Transport Ancillary	5	2	2	100%	40%
Total	256	116	93	80%	36%
Skipped			1		

The above table illustrates the estimated number of businesses FIDC consider to operating within each primary sector, and highlights the targeted number of returns from each sector alongside the actual response rates. This year, the overall target for responses to the survey was 116. In total, there were 94 responses to the survey, however one respondent skipped this question, which reduces the response rate from 82% to 80%, based on industries. Overall, when compared to the 2021 responses, there was a 2% increase in overall industry responses, up from 34% in 2021 to 36% in 2023.



There were increased industry response rates for Agriculture and Animal Related Services, Construction, Fishing, Marine Services, Mining, Quarrying, Oil and Gas Related Services, Tourism, and Transport Ancillary, compared to the 2021 edition of the survey. The most significant increases in responses were from the Fishing sector, with a 64% overall industry

response rate, up from 29% in 2021. This year saw no responses to Real Estate as a primary sector, compared to 4 responses in 2021, and amounted to the most significant percentage decrease.

Both Education, Health and Social Services, and Science Research and Environmental Services – as entirely new categories – either met the response rate target, or exceeded it. Tourism was the sector that exceeded the response rate target the most, hitting 200% of target achieved.

Question 6: What other industries does your business operate within?

We understand that in the Falkland Islands, many businesses operate across more than one sector, and as such provide a variety of services. This question aims to provide further detail regarding the secondary industries operating within the Falklands. The sector choices remain the same as in the previous question, however businesses can select more than one secondary industry.

For the last five editions of the survey, Tourism was the largest secondary industry, with 24 selections, although this is down 2 selections since 2021, and 5 less than in 2020. There is some correlation between the increase in businesses identifying Tourism as their primary industry over the years, and the decrease in businesses identifying Tourism as their secondary industry. See below table:

Year	Businesses identifying Tourism as primary sector compared to previous year	Business Identifying Tourism as secondary sector compared to previous year	This year Agriculture and Animal related Services took second place, with 15 responses, followed by Restaurants and Hotels, with 13.
2018	+10	+3	
2020	+6	-7	
2021	+3	-3	
2023	+3	-1	

For the first time, this survey also allowed respondents to state if they were not involved in a secondary industry. Of the 77 businesses who responded to this question, 19 stated that they had no secondary industry as a part of their business offering. When looking at these responses in more detail, we can see that Business Services, and Transport Ancillary were the primary sectors with the lowest percentage of businesses operating in a secondary sector, both with 50% of the respondents for each primary industry stating they had no secondary industry.

Question 7: How many months of the year does your business operate?

Year	% of businesses operating all year round	Most businesses operating in the Islands (87%) do so all year round, and this is in line with the previous editions of the Business Climate Survey. There has been no change in this percentage rate since the 2021 survey. However, when looking at earlier surveys, there was a
2012	96%	
2014	93%	
2016	90%	
2018	87%	
2020	83%	

previous declining trend during the period 2012-2020. As in the 2021 edition of the survey, there were no businesses who indicated that they operated for 0-2 months of the year. There was a slight increase in businesses who operate for 3-6 months of the year, up from 7 in 2021 to 10 in 2023, and a slight decrease in those reporting operating for 7-11 months of the year, down from 4 in 2021 to 3 in 2023.

Of the 12 seasonal businesses (those indicating that they did not operate all year round), 10 were from the Tourism sector, and the other 2 businesses were represented by Construction, and Science Research and Environmental Services. When looking at the age of the seasonal businesses, 9 of the 12 were founded after 2011, with 2 of these founded in the last 12 months. In regard to base of operation, 75% of seasonal businesses are located outside of Stanley.

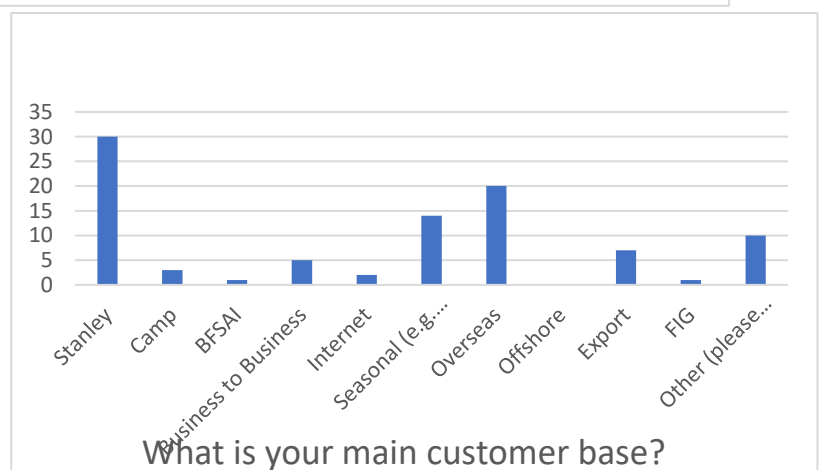
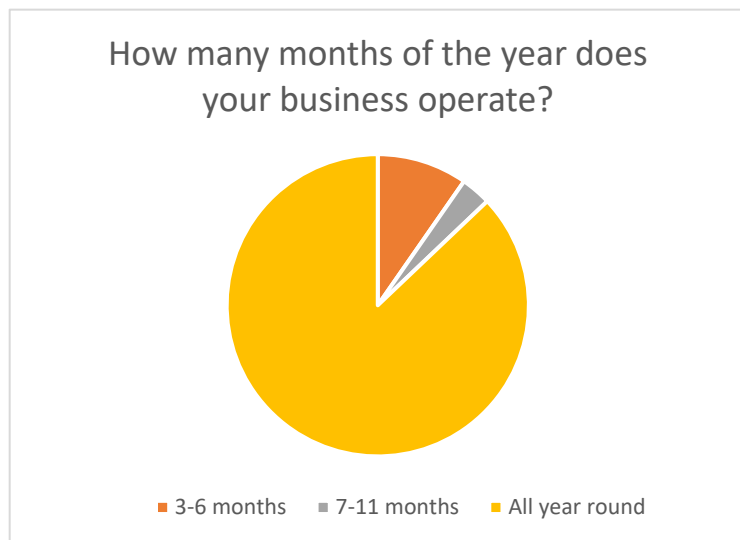
Question 8: What is your main customer base?

The largest customer base as indicated from the survey responses remains Stanley, with 30 responses (32%). However, the percentage of businesses selecting this option has declined in recent years, from 42% in 2020 to 36% in 2021. This year there were additional options to select, including British Forces South Atlantic Islands (BFSAI), and Overseas. The option MPC/MoD was removed for this survey (now covered under BFSAI). The number of businesses

selecting Export reduced from 15 in 2021 to 7 in 2023. However, if we combine Export with Overseas, there is an increase to 27 responses in total between the two categories.

The number of respondents selecting Seasonal has continued to decline from 18 in 2020, to 16 in 2021, and then to 14 in 2023. The number of businesses indicating Camp as their main customer base returned to 2020 levels, with 3 responses, up from 0 in 2021.

Of the 10 businesses that selected Other as an option, they also included combinations of the given options when providing further detail. The full responses can be seen in the Appendix on page 70.



Question 9: Is your business owned by another organisation(s)?

Year	% owned by parent organisation	% not owned by another organisation
2016	22%	78%
2018	25%	75%
2020	9%	91%
2021	25%	75%
2023	23%	77%

The number of businesses that are owned by a parent company reduced to 13% in 2023. Changes in business ownership as indicated in previous editions of the survey are illustrated by the table to the left.

Question 10: If you answered ‘Yes’ to the previous question, where is your parent organisation based?



Continuing the trend seen in previous editions of the Business Climate Survey (2012 to 2021), most parent organisations are based within the Falkland Islands, with 10 of the 12 parent organisations identified as Falkland Islands businesses. The remaining two parent organisations are based in South America, and the United Kingdom.

Question 11: Is your business in partnership with another organisation(s)?

Of the 94 respondents to the survey, 82 skipped this question. There were no businesses who responded that they were in partnership with another organisation, representing a decrease from 1 in 2021 and 3 in 2020.

Question 12: If you answered ‘Yes’ to the previous question, where is your partner organisation based?

There were no responses to this question.

Question 13: Approximately, how many people did you employ in 2021, 2022 and forecast for 2023?

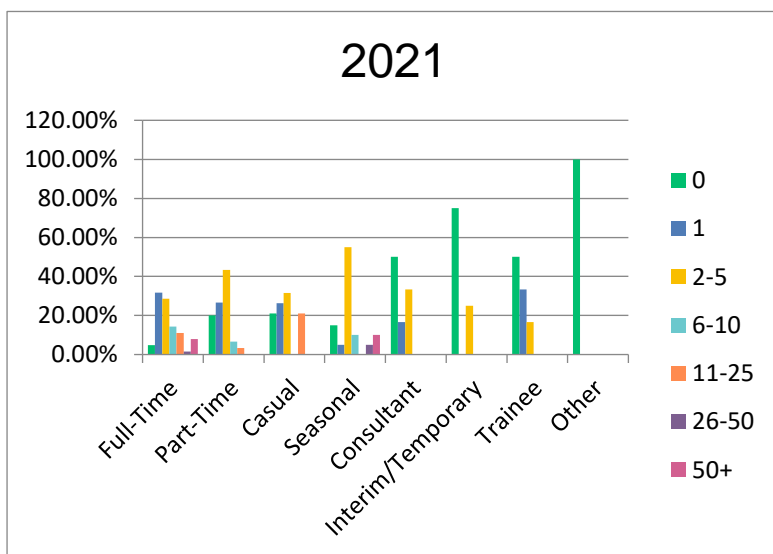
The purpose of this question is to estimate the size of businesses operating in the Islands in terms of staffing levels. The table demonstrates the estimated number of employees based on the responses to the question by multiplying the selections with the median number within in range. This formula is applied to all of the ranges to calculate the approximate labour force for the 79 businesses that provided data for this section of the survey. An example of how this is calculated is as follows: In 2021, 7 business stated that they employed 11-25 Full Time staff, and as such the calculation “7 x 18 = 126” was used.

There were 15 businesses that skipped this part of the survey.

Year	Employee Type	Range							Total
		0	1	2-5	6-10	11-25	26-50	50+	
2021	Full-Time	0	20	72	72	126	38	250	578
	Part-Time	0	8	52	16	18	0	0	94
	Casual	0	5	24	0	72	0	0	101
	Seasonal	0	1	44	16	0	38	100	199
	Consultant	0	1	8	0	0	0	0	9
	Interim/Temporary	0	0	4	0	0	0	0	4
	Trainee	0	2	4	0	0	0	0	6
	Other	0	0	0	0	0	0	0	0
	Total								
2022	Full-Time	0	16	80	64	180	76	250	666
	Part-Time	0	10	60	24	18	0	0	112
	Casual	0	8	24	0	72	0	0	104
	Seasonal	0	0	44	8	18	38	100	208
	Consultant	0	3	12	0	0	0	0	15
	Interim/Temporary	0	1	4	0	18	0	0	23
	Trainee	0	1	12	0	0	0	0	13
	Other	0	0	0	0	0	0	0	0
	Total								
2023	Full-Time	0	14	88	64	162	114	250	692
	Part-Time	0	12	60	40	18	0	0	130
	Casual	0	5	32	0	72	0	0	109
	Seasonal	0	0	40	16	18	38	100	212
	Consultant	0	4	12	0	0	0	0	16
	Interim/Temporary	0	0	4	0	18	0	0	22
	Trainee	0	3	16	0	0	0	0	19
	Other	0	0	0	0	0	0	0	0
	Total								

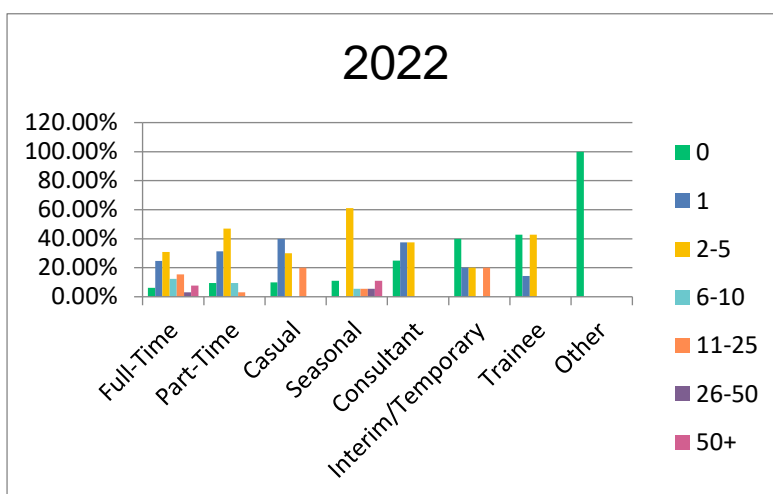
The above table illustrates a steady growth in the number of people employed over the three-year period between the 79 businesses who responded to the survey, up from 991 reported in 2021 to 1,141 in 2022, and predicted to further increase in 2023 to 1,200. The following table provides further analysis in the form of a comparison of the average number of people employed by Falkland Islands' businesses as reported in previous editions of the survey, up to the predicted estimate for 2023.

Year	2012 survey	2014 survey	2016 survey	2018 survey	2020 survey	2021 survey	2023 survey
2011	11						
2012	12	10					
2013		11					
2014		11	14				
2015			15				
2016			15	11			
2017				14			
2018				14	10		
2019					12	12	
2020					12	11	
2021						12	13
2022							14
2023							15

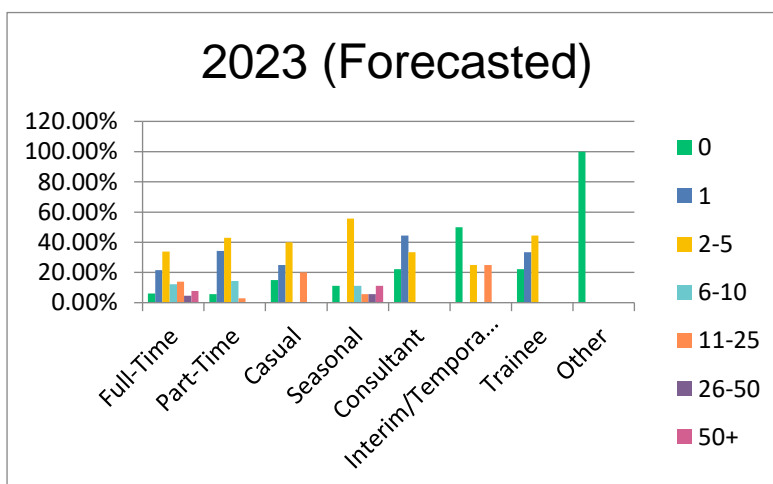


The period 2018-2021 saw a decline in the average number of employees compared to 2016, which peaked at 15 employees, on average. The 2023 edition of the survey predicts a return to these levels, increasing from 13 in 2021, to 14 in 2022, and 15 in 2023.

This year saw a significant increase in the number of businesses who indicated they employed 50+ full time employees, up from 1 business in the 2021 edition of the survey to 5 businesses. All of the 5 businesses who stated they employ 50+ full time employees were founded pre-2000, and all are Limited Companies based in Stanley. All 5 are also members of the Falkland Islands Chamber of Commerce, with the largest represented primary sector being Retailers.



Full-time staff made up 58% of those employed in 2021, 2022 and 2023. Part-time, Casual, and Seasonal workers made up 40% of the workforce, decreasing to 37% in 2022 and 2023. However, there was a significant increase in business either employing or intending to employ seasonal workers in 2023, with 2 businesses across the three years indicating 50+ seasonal workers.



Section 2 Business Performance

Introduction

Following from the section focussing on business background, this section asks businesses to rate their performance. Because this section includes financially sensitive questions, all questions within this section are optional. However, it is reassuring that the majority of businesses continue to complete this section, having the confidence and security that any sensitive data will not be individually attributed. All the responses to this section remain anonymised, and individual responses will not be shared outside of FIDC.

In this section of the survey, we asked businesses to look back on the previous two years of trading, and predict their performance in 2023. The results from this section provide us with a snapshot in time of the financial health of the Falkland Islands business community.

The full results for this section can be found in the Appendix on page 73.

Highlights

- 55% of businesses rated their performance as Good or Excellent for 2021, up from 43% forecasted;
- 73% of businesses rated their performance for 2022 as Good or Excellent;
- 75% of businesses predict their performance to be Good or Excellent for 2023;
- 57% and 63% of respondents reported a profit for 2021 and 2022, while 76% predict a profit for 2023;
- 42% of respondents stated that their turnover was under £100k in 2021 and 2022;
- The percentage of businesses reporting a turnover of more than £1.01m for 2021 was 19%, up from 14% forecast;
- 48 businesses (64%) reported growth in their balance sheet;
- 19% of respondents retain less than £1k cash in their business.

Results

Question 14: How do you rate your business' overall performance in the following years?

Business performance is subjective, and can include a number of factors, such as financial performance, meeting of targets, business growth, staffing retention and recruitment, customer service and satisfaction, improvements to products and services, or the success of marketing campaigns, to name several examples. The aim of this question is to gain an insight into how individual businesses feel they have performed and enables us to draw comparisons with previous years data and predictions.

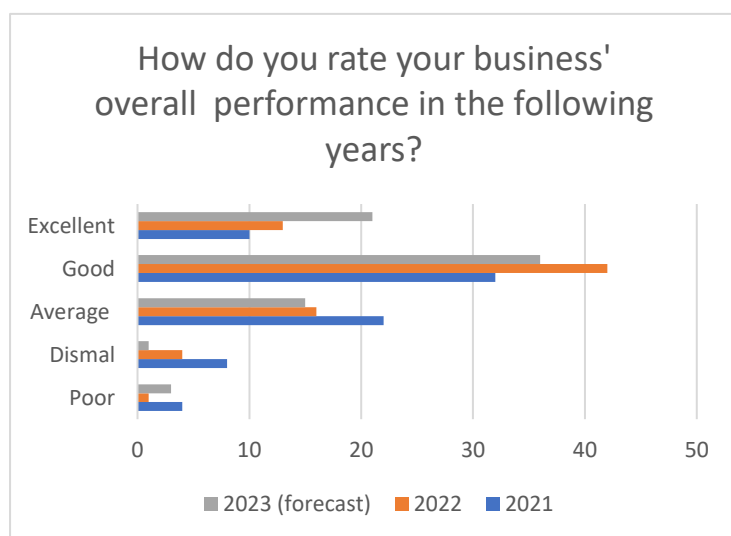
Businesses can select from five options when rating their performance: Dismal, Poor, Average, Good, and Excellent. The table below provides a comparison of the predicted business performance for 2021 compared to the results reported in the 2023 survey for the same year.

Business overall performance 2021 actual vs forecast

Rating	2021 results (forecast)	2021 results (actual)	Variance
Excellent	9.72%	13.16%	+3.44%
Good	33.33%	42.11%	+8.78%
Average	29.17%	28.95%	-0.22%
Poor	19.44%	10.53%	-8.91%
Dismal	8.33%	5.26%	-3.07%

In 2021, when predicting business performance, the forecast was not optimistic, with 28% of businesses (42) predicting either Dismal or Poor performance. At this point in time the Tourism industry locally was heavily reliant on FIG support via

the Tourism Incentive Recovery Programme (TRIP), with cruise tourism suspended, land-based tourism heavily impacted by the suspended airlinks with South America, and quarantine measures in place. The Agricultural sector was also experiencing the impacts of Brexit, and a wool market that had come to the end of a super-cycle. Added to this was the reduced export season for Falklands meat meant that there was uncertainty within the rural business community. This low business confidence was reflected in detail, with both 47% of Agriculture and Animal Related Services, and Tourism businesses predicting a Poor or Dismal performance for 2021.



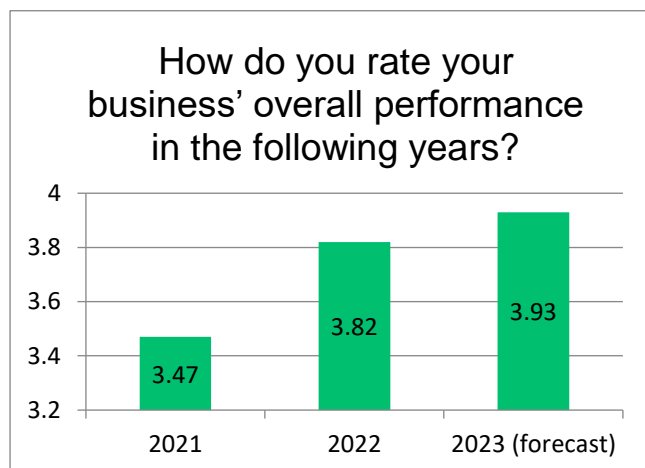
However, when comparing the predicted performance to the actual reported performance in this edition of the survey, overall businesses performed better than expected. If we look at Agriculture and Animal Related Services, and Tourism, the percentage of these businesses reporting Dismal or Poor performance for 2021 dropped dramatically to 6% for Agriculture and Animal Related Services, and 22% for Tourism.

Towards the end of 2021, there was some recovery in both wool and

mutton prices, and the FIMCo Supplier Support Scheme administered by FIDC in the first half of 2021 assisted the agricultural community, mitigating the shortfall in meat sales when the export season was reduced.

In response to the restrictions in land-based tourism due to reduced flights to and from the Islands, coupled with no cruise season, the Falkland Islands Government extended the Tourism Incentive Recovery Programme (TRIP) support scheme to include the 2021/2022 tourism season. This injection of funding into the Tourism sector - and other industries such as retailers, who would normally see income from tourists in the Islands - encouraged those living in the Islands to utilise tour guides and operators, stay in a hotel, lodge or self-catering accommodation, and spend in restaurants and retail establishments across the Islands.

Overall business performance for 2021 exceeded expectations, with the percentage of businesses rating their performance as either Good or Excellent up from 43% forecasted to 55% actual. The predicted weighted average for 2021 rose from 3.17 forecasted to 3.47 actual. There were 12 primary sectors that indicated a Good or Excellent performance in 2021, with Agriculture and Animal Related Services, Construction, and Retailers the highest represented, with 6 selections each. The sectors which rated their performance as Average for 2021 included Agriculture and Animal Related Services, and Tourism, with 44% and 32%, respectively, of sector respondents selecting this option.



Business performance reported for 2022 continued to show improvement, with the weighted average rising to 3.82, and 73% of businesses reporting Good or Excellent business performance for the period. The percentage of businesses reporting Poor or Dismal performance in 2022 also reduced to 7%, compared to 16% in 2021. Of primary sectors that reported (13) Good or Excellent business performance, 50% of Tourism businesses who responded to the survey selected these options.

Despite factors that might negatively influence how a business predicts its performance for 2023 - rising inflation, increasing fuel and electricity prices, the cost-of-living crisis, increasing interest rates, and rising costs and delays associated with the global supply chain - there appears to be confidence in the economy, and business performance with the weighted average continuing to increase, forecast to rise to 3.93 for 2023. Only two primary sectors indicated either Dismal or Poor predicted performance for 2023, and these were Agriculture and Animal Related Services, and Retailers.

However, since the survey ran in April 2023 there has been a significant slowing in the wool market so it will be interesting to see how these forecasted performance ratings compare to the actuals when the next survey is run and how the Agriculture and Animal Related Services sector performs under these conditions.

Question 15: How do you think your business performed in terms of profitability in the following years?

Most businesses who responded to this section of the survey noted or predicted making a profit across the three years. Of businesses that responded (76) to this question, there was an 81% response rate from the overall survey responses. When reporting on 2021, 57% of business indicated making a profit, compared to the 54% forecast in the 2021 edition of the survey. The table provided illustrates the predicted profitability of businesses in 2021, and the actuals as reported in the 2023 survey.

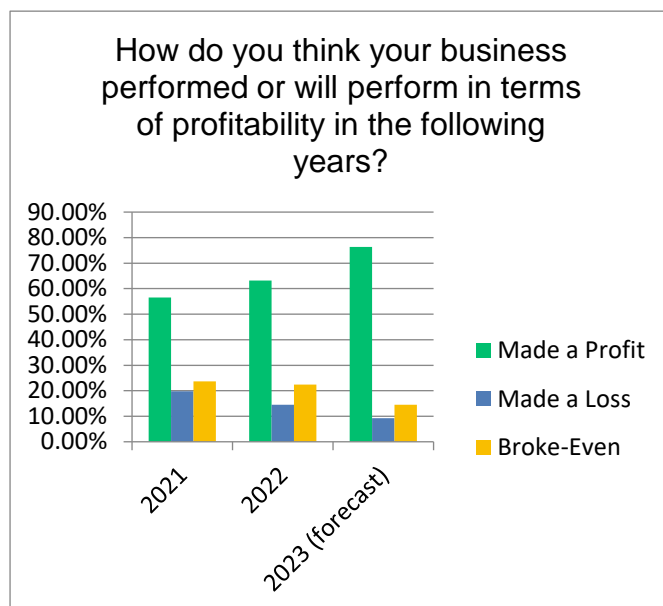
Profitability 2021

Answer Options	2021 forecast	2021 actual	Variance
Made a Profit	54.17%	56.58%	+2.41%
Made a Loss	25.00%	19.74%	-5.26%
Broke Even	20.83%	23.68%	+2.85%

A decrease was seen in the percentage of businesses predicting a loss for 2021, with a slight increase in the percentage of businesses breaking even and reporting a profit. There were

seven primary sectors who reported a loss for 2021, representing 15 businesses. The two largest

represented sectors reporting a loss in 2021 were Agriculture, and Tourism, with 4 selections each, representing 18% and 22%, respectively, of the overall responses from these sectors. In 2021, there were 12 primary sectors that reported a profit, with the most responses from Agriculture and Animal Related Services, and Retailers, with 7 responses each. No Restaurant and Hotels reported a profit for 2021.



Business reporting a profit increased in 2022, with 63% reporting a profit. Tourism, and Retailers were the largest sectors, with 9 and 8 selections, respectively. In 2022, 1 business from the Restaurants and Hotels sector reported a profit. In May 2022, the quarantine restrictions were lifted, July 2022 saw the reinstatement of the LATAM Airlines Santiago route, and in October 2022 the cruise season fully opened up to vessels of all sizes, and as such, it would be natural to see increased profit within this sector alongside the increased business performance.

The number of businesses who predict a profit for 2023 rose to 76%, representing 13 primary sectors. The largest sector predicting a profit in 2023 was Tourism with 14 responses, which equates to 64% of all of the Tourism businesses who responded to the survey. If we compare these figures to the actuals reported for 2019, before the suspension of flight connectivity, suspension of the cruise industry and quarantine measures, 60% of Tourism businesses reported a profit, indicating that the sector is forecast to have recovered substantially.

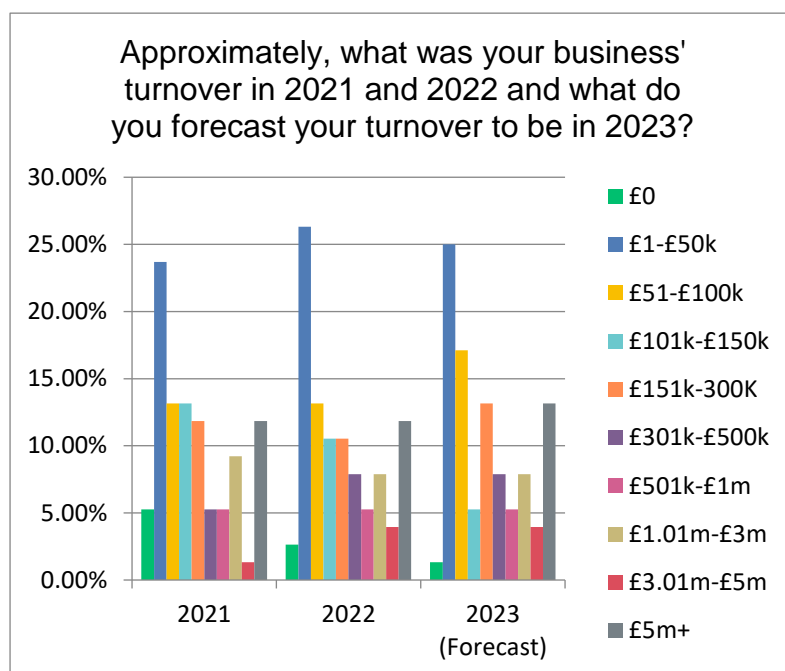
The number of businesses predicting a loss or 2023 also continued to decrease, with 7 businesses (14% of those who responded to the question) predicting a loss for the period. These 7 businesses are made of 5 primary sectors, the largest of which is Agriculture and Animal Related Services, with 3 responses, representing 17% of the overall sector responses.

Question 16: Approximately, what was your business’ turnover in 2021 and 2022 and what do you forecast your turnover to be in 2023?

As in previous editions of the survey (2020 and 2021), respondents were asked to report on their approximate business turnover in the two preceding years, and forecast their turnover for 2023.

	2021 Forecast	2021 Actual	Variance	2023 Forecast
£0	5.56%	5.26%	-0.30%	1.32%
£1-£50k	44.44%	23.68%	-20.76%	25.00%
£51k-£100k	13.89%	13.16%	-0.73%	17.11%
£101k-£150k	8.33%	13.16%	+4.83%	5.26%
£151k-£300k	5.56%	11.84%	+6.28%	13.16%
£301k-£500k	4.17%	5.26%	+1.09%	7.89%
£501k-£1m	4.17%	5.26%	+1.09%	5.26%
£1.01m-£3m	11.11%	9.21%	-1.90%	7.89%
£3.01m-£5m	0.00%	1.32%	+1.32%	3.95%
£5m+	2.78%	11.84%	+9.06%	13.16%

For the period 2021, 42% of businesses reported a turnover of £100k or less, a significant decrease from the 64% predicted in the 2021 edition of the survey. Turnover under £100k remained stable, with 42% reporting the same level of turnover in 2022, and 43% of businesses forecasting this level of turnover within their business for 2023. The largest represented sector reporting a turnover of £100k or less in 2021 and 2022 was Agriculture and Animal Related Services, with 10 selections, closely followed by Tourism, with 9 selections, for each year. In total, 9 sectors reported a turnover of £100k or less for the period 2021 and 2022.



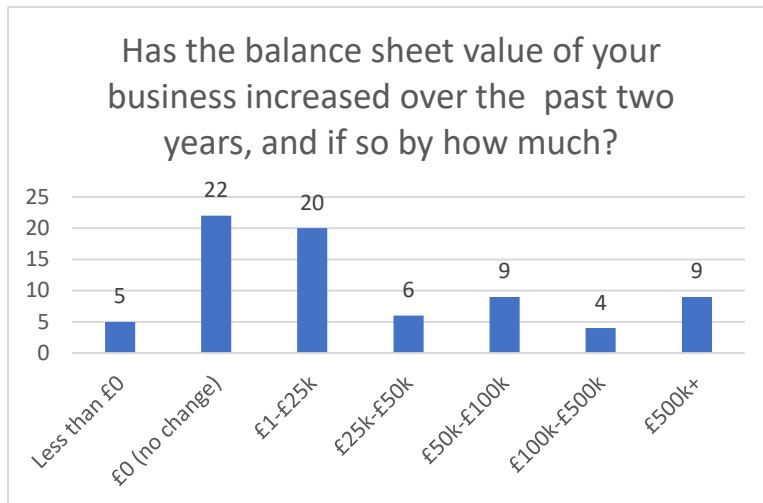
Of businesses reporting a turnover between £101k and £1m, there was a significant increase from forecasted results in 2021, rising from 22% to 36%. The largest represented primary sector within this turnover band was Tourism, with 8 selections, in both 2021 and 2022. Overall, 11 sectors indicated this level of turnover for 2021 and 2022. The percentage of businesses reporting this level of turnover for 2022 declined slightly to 34%, and is forecast to decrease to 32% in 2023.

When predicting turnover for 2021, 14% of businesses forecast a turnover of over £1.01m, compared with 22% actual reported in the 2023 survey for the same period. Of businesses that reported a turnover of more than £5m (12%), 9 businesses from 6 primary sectors reported this high level of turnover, with 3 being Retailers, 2 from Fishing, and Agriculture and Animal Related Services, Construction, Marine Services, and Transport Ancillary all with 1 selection each in 2021. Overall, the largest represented sector reporting a turnover of £1.01m or more in 2021 and 2022 was Fishing, with 5 responses (56% of the sector) for each year.

Business forecasting a turnover of more than £1.01m increased in 2023 to 25%. This represents a total of 8 sectors, with the largest sector continuing to be Fishing, with 5 responses. Looking at those predicting a turnover of more than £5m, Retailers again were the highest sector, with 3 responses for 2023.

Question 17: Has the balance sheet value of your business increased over the past two years, and if so by how much?

Now a regular question in the business climate survey having first appeared in 2016, we can draw comparisons of business growth over the last seven years. This question focusses on the changes within a business' balance sheet value, and can be an indicator of business performance, understanding how businesses are growing.



This year, 75 businesses completed this question, a response rate of 80%, up from a 76% response rate in 2021. Of those who responded to the question, 22 businesses from 6 primary industries indicated that there had been no growth within their balance sheet, which is the same as the 2021 edition of the survey, where 30% stated no growth. The highest represented sectors in these responses were Tourism (8 responses), Agriculture and Animal Related Services (6

responses), and Business Services (5 responses).

A further 7% (5 businesses) indicated a decrease in their balance sheet, again mirroring the results from the 2021 survey, with 4 businesses (6%) selecting less than £0. Sectors reporting negative growth were Agriculture and Animal Related Services, Business Services, Communications and Finance, Fishing, and Retailers.

In total, 48 businesses (64%) stated that their balance sheet had increased over the last two-year period. In total, 13 primary sectors noted growth in the value of their balance sheet. Of Construction businesses who responded to the survey, 88% reported growth in their business. The growth in the construction sector is unsurprising, as the Falkland Islands Government currently has an ambitious capital programme, and alongside this housing developments and commercial construction projects for the private sector are ongoing.

There were 24 businesses from 9 primary sectors who declared a growth in their balance sheet between £1-£25k, mirroring the 2021 results, where 24 businesses also stated this level of growth. Of these businesses, 35% were from the Agriculture and Animal Related Services industry.

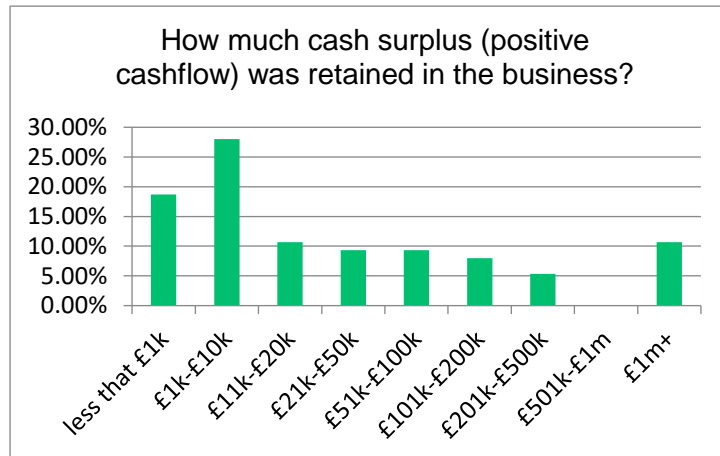
The next largest bands of growth were £50k-£100k, and £500k+, with 9 respondents for each band. Sectors reporting growth of £50k-£100k included Tourism (3 responses), and Construction (2 responses). There were 5 sectors reporting growth of over £500k+, with Fishing being the highest represented sector, with 3 responses, followed by Marine Services, and Retailers, with 2 responses each.

Question 18: How much cash surplus (positive cashflow) was retained in the business?

This is a slight amendment to the wording of the previous Business Climate Survey question, first asked in 2020, which originally read ‘What is the level of retained cash in the business?’ This minor amendment was made following consultation with business associations and key stakeholders. The original question was first included in 2020, on the recommendation of the Falkland Islands Chamber of Commerce, and intends to provide insight into the liquidity of businesses operating in the Islands, and their ability to access funds for future developments and investment.

This year, 75 businesses opted to answer the question, with 81% of these businesses indicating that they retained at least £1k in positive cashflow. There were 14 businesses from 7 primary sectors who indicated that they retained less than £1k cash, representing 19% of those who responded to the question. This is an increase from the 2020 and 2021 editions of the survey, where 13% declared less

than £1k in cash reserves. Tourism was the largest represented sector, declaring £1k or less cash reserves with 5 responses, followed by Agriculture and Animal Related Services, with 3 responses. Of businesses reporting this level of retained cash, 64% are based in Stanley, and 57% are members of the Falkland Islands Chamber of Commerce. Of these businesses, 43% and 36%, respectively, reported a loss for 2021 and 2022, and 36% predict a loss for 2023. The majority (65%) of these businesses reported a turnover of £100k or less in 2021 and 2022.



There were 21 businesses (28% of respondents to the question) who reported holding between £1k and £10k positive cash. This was the largest band of responses from 7 sectors with Agriculture and Animal Related Services, the highest represented, with 7 responses. Of these businesses were founded post 2011 (62%), 48% were based in Stanley, and 52% based in Camp (East Falkland 6, and West Falkland 5). Sole

Traders represent 48% of these businesses, followed by Partnerships at 38% and Limited Companies at 14%. Of these businesses, 10% reported a loss in 2021, and 5% in 2022, with a further 5% predicting a loss in 2023. There were 76% of businesses that predicted a profit for 2023.

The percentage of businesses reporting a positive cash balance between £11k and £50k decreased from 27% in 2021 to 20% in 2023. There were 15 businesses from 10 sectors that stated this level of cash reserve, with Construction the highest represented sector, with 4 selections. There was an even split between those operating as Sole Traders and Limited Companies (7 of each), and 1 Statutory Corporation. Most of these businesses (67%) are based in Stanley, and 67% are members of the Chamber of Commerce. None of these businesses are members of the Falkland Islands Fishing Companies Association. Of these businesses reported a profit in both 2021 and 2022 (73%), there were 93% that predicted a profit in 2023.

This year, there were 13 businesses who indicated that they retained between £50k and £200k in cash, representing 17% of respondents, the same percentage as in 2021, across 6 primary sectors, with Tourism being the highest, represented with 7 selections. Most of the businesses (69%) were founded post 2011, with 7 of these (54%) established in the period 2016-2021. The Chamber of Commerce had the highest level of membership, with 69% of respondents from this bracket, followed by the RBA and FITA, with 31% each. Of these businesses, 69% are based in Stanley, with 31% on the outer islands. The majority of these businesses (60%) are Limited Companies, and only 1 business reported a loss for 2022. No businesses in this bracket predicted a loss for 2023.

Businesses that reported retaining between £201k and £500k cash surplus (4 respondents) all reported a profit for 2022, and predicted a profit for 2023. All 4 businesses have a turnover of £1.01m+ over the last two years, and predicted for 2023, and all have seen growth in their balance sheet. There were 4 sectors reporting this level of retained cash, which included Agriculture and Animal Related Services, Fishing, Restaurants and Hotels, and Retailers. All of these businesses were established pre-2010, and all are Limited Companies based in Stanley. All 4 businesses are members of the Chamber of Commerce, with 2 also being members of FITA, and 1 member each of the RBA and FIFCA.

Of the 8 respondents (11%) that stated they had a cash surplus of more than £1m, from 4 sectors, 3 respondents were from Fishing, the highest represented. Of the 88% of these businesses that reported a profit for 2021 and 2022, all 8 predicted a profit for 2023, with all of these businesses having a turnover of more than £1.01m+ over the last two years, and 75% reporting a turnover of more than £5m+ for the same period. All 8 businesses have seen a growth of more than £500k in their balance sheet. These 8 businesses are all based in Stanley, with 88% being Limited Companies. All 8 are members of the Chamber of Commerce, and all were established pre-2005.

Section 3 The Economy and FIDC

Introduction

This section of the survey seeks to gather the opinion of the business community on the performance of the Falkland Islands' Economy over the last two years, barriers to economic growth, predicted economic performance, and the performance of the Falkland Islands Development Corporation (FIDC) as an economic delivery vehicle for the Falklands. The results from this section of the survey provide key insights into the performance of the economy, business confidence and are used by key stakeholders and policy makers to inform decision making.

FIDC pays particular attention to the responses that identify barriers to growth, and the challenges that businesses operating in the Islands face. The results from this section heavily inform FIDC's corporate planning, and FIDC is continually looking at how to address key barriers highlighted via the survey, working with the Falkland Islands Government and key stakeholder partners.

Following on from questions regarding economic performance, respondents are asked about their ability to access the market at Mount Pleasant (MPC) and the British Forces South Atlantic Islands (BFSAI). Outside of Stanley, this is the most densely populated area of the Falkland Islands, and access to providing goods and services to this market has been a prior focus of FIDC and the Chamber of Commerce over the years. It is important to understand if businesses are able to tap into this market and what the appetite is to expand the local market.

This section of the survey ends with questions focussing on the performance of the principal author of the Business Climate Survey, FIDC.

The full results can be found in the Appendix on page 76.

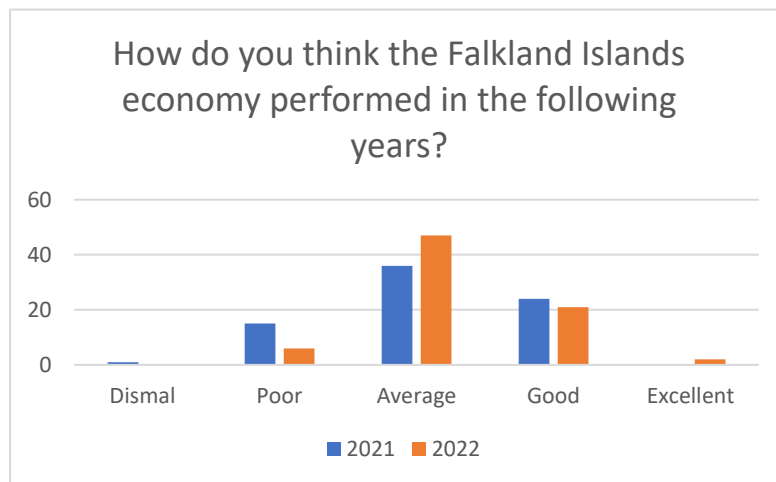
Highlights

- 32% of businesses rated the Falkland Islands economy as Good in 2021;
- 30% of businesses rated the Falkland Islands economy as Good or Excellent in 2022;
- The average weighted performance of the Falkland Islands economy in 2021 rose from 3.01 forecast to 3.09 actual;
- The average weighted performance of the economy in the Short-Term (2023) is predicted to increase to 3.34;
- Economic performance in the Medium-Term (2024-2028) is forecast to increase to 3.57;
- In the Long-Term (2029 and beyond), economic performance is predicted to increase to 3.59;
- Shortage of Skilled Labour was the largest identified barrier to growth, followed by Cost of Fuel, and Telecommunications - Bandwidth (Speed & Quality);
- 11 businesses are either contracted or subcontracted to work with BFSAI;

- 24 businesses indicated that they would like to provide products or services to BFSAI;
- The FIDC weighted average performance rating was 3.2;
- 42% rated FIDC’s performance as Good or Excellent;
- Grants and Loans remain the most popular type of FIDC assistance.

Results

Question 19: How do you think the Falkland Islands economy performed in the following years?



This question asks respondents to reflect on the performance of the Falkland Islands’ economy over the last two years, 2021 and 2022. There were 32% of respondents (24 businesses) that rated the Islands’ economic performance in 2021 as Good, with no businesses selecting Excellent as a rating. The majority of these businesses are based in Stanley (67%), and represent 10 primary sectors, the

highest number of selections coming from the following 3 industries: Agriculture and Animal Related Services (4), Fishing (4), and Tourism (4).

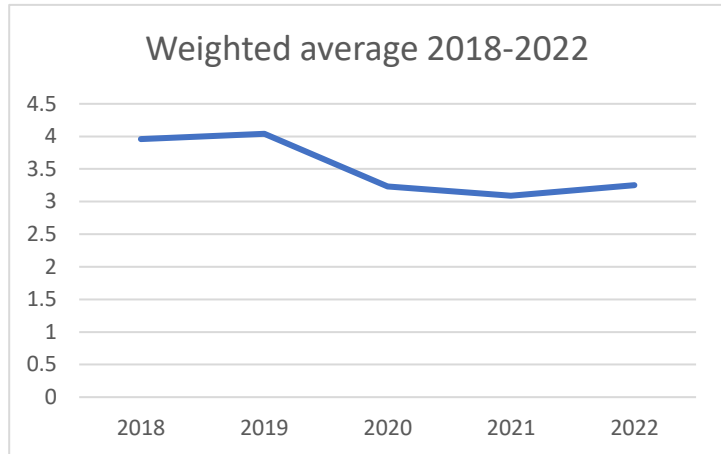
There was 1 business that rated the economic performance in 2021 as Dismal, and a further 15 businesses (20%) stated that they felt the performance for the same period was Poor. These 16 businesses were across six primary sectors, with Tourism having the highest number of respondents in this bracket, with 7 responses.

Rating the economic performance of the Islands in 2021 as Average were 36 businesses (47% of respondents to this question). Overall, the weighted average score for economic performance in 2021 was 3.09. This is a small increase from the predicated economic rating provided in the 2021 edition of the survey, where respondents forecast a weighted average performance rating of 3.01.

The weighted average score for economic performance of the Islands in 2022 increased slightly, rising from 3.09 in 2021 to 3.25 in 2022. No businesses rated economic performance as Dismal, and the number of businesses rating economic performance in 2022 as Poor decreased to 8% (6 responses). Sectors rating economic performance as Poor in 2022 were from three sectors: Agriculture and Animal Related Services, Business Services, and Tourism. The Average rating for 2022 was 62%, and a total of 23 businesses rated the economic performance as either Good or Excellent (30%). There were 10 sectors that selected Good or Excellent ratings, with the highest responses from Tourism (8 responses), and Fishing (4 responses).

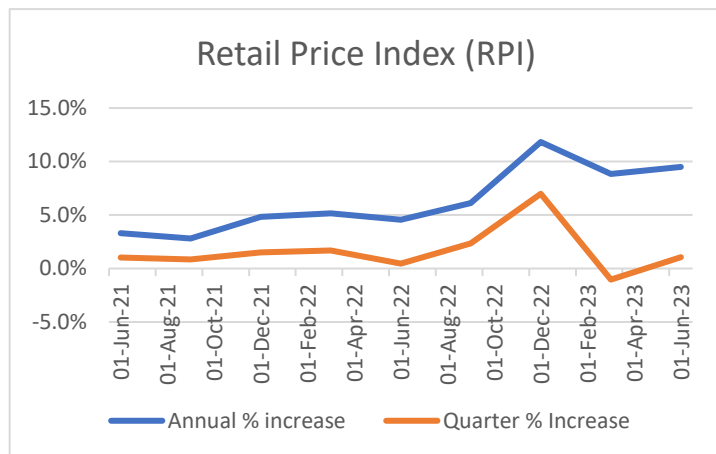
Of the businesses who rated economic performance as Dismal or Poor in 2021, 44% reported a loss for that period, with a further 31% breaking even. Businesses rating the economy as Poor in 2022 performed slightly better in terms of profitability for the same period, with only 1 business reporting a loss (17%), and 3 businesses breaking even (50%).

The graph to the right demonstrates the weighted average score over the last five years, with data taken from the previous two editions of the survey included. Economic performance as rated by businesses peaked in 2019 at 4.04, declining to 3.09 in 2021.

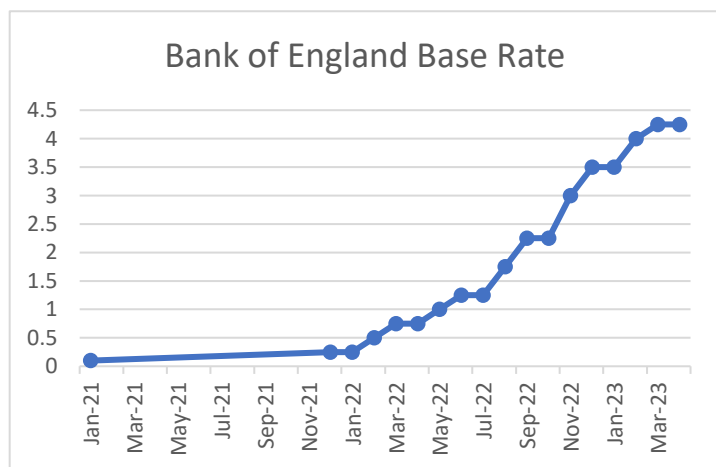


Although 2022 saw the reinstatement of connectivity to the Islands via the LATAM Airlines Santiago route, and the reestablishment of the cruise season, the latter half of 2022 saw a significant increase in the cost of fuel and electricity. This, combined with the U.K. cost of living crisis, increased costs in materials and shipping, rising inflation and steep increases in the Bank of England (BoE) base rate, influenced how businesses perceive the Islands' economic performance for the period. Government measures such as the cost-of-living Household Fuel allowance aimed to help ease some of this pressure, and this support is still ongoing for those households eligible, however many businesses have needed to pass price increases on to the consumer.

The graph to the right shows the change in the Retail Price Index (RPI) for the Falkland Islands, which tracks inflation from the period June 2021-June 2023. The RPI remained fairly stable in the period June 2021-August 2022, however the increase in fuel and electricity costs seen in the last quarter of 2022 resulted in an inflationary spike, and although the RPI has lowered slightly since then, it is still significantly higher at the time of the survey than it was in 2021.



The Bank of England (BoE) base rate during the period since the 2021 edition of the survey (April 2021) and the 2023 edition (April 2023) increased in response to trying to control inflation levels in the U.K. The BoE base rate is used by lenders to determine the interest levels attached to lending. Businesses with variable loans and or mortgages will have experienced an increase in repayment amounts over this period.



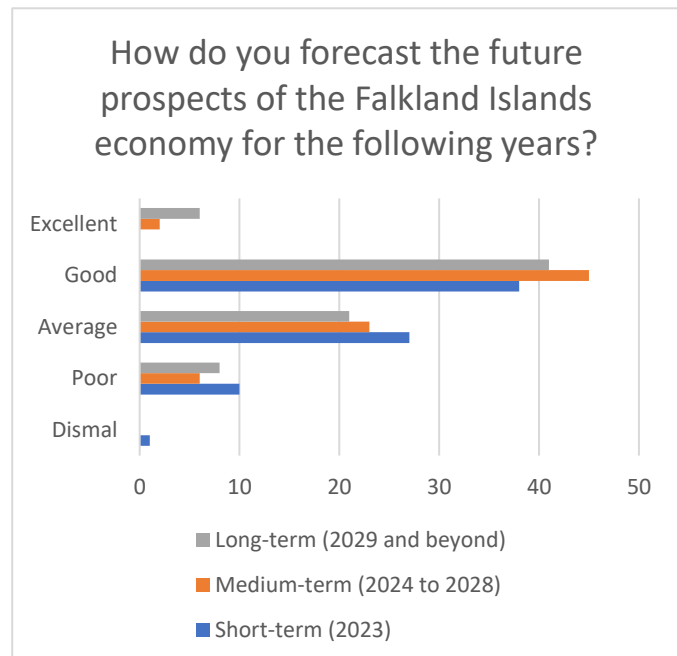
Question 20: How do you forecast the future prospects of the Falkland Islands economy in the following years?

While the first question in this section asks respondents to reflect on the past two years of economic performance, this question asks businesses to look forwards and forecast the short, medium, and long-term performance of the economy. This question provides insights into economic confidence, and has the potential to influence business decisions, such as commercial investment in new projects.

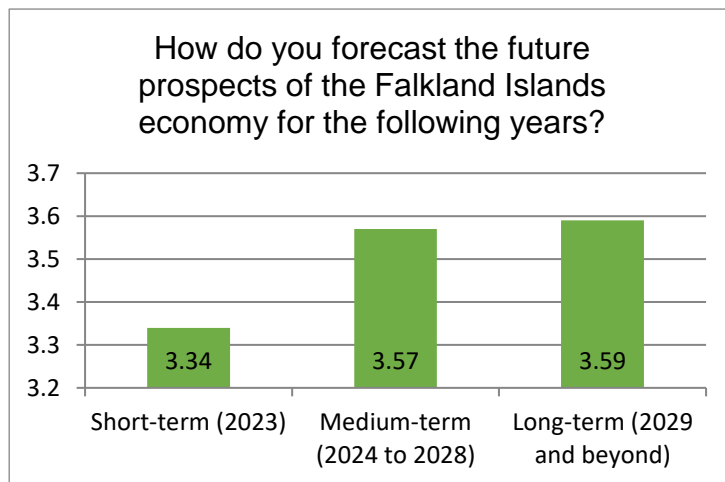
The results show that respondents believe that there will be economic recovery and growth in both the Short, Medium, and Long-Term, with the weighted average score predicted for 2023 rising from 3.25 in 2022 to 3.34. A stronger level of recovery and performance is predicted in the medium term (2024-2028), with the weighted average rising to 3.57, and continuing to improve in the long term (2029 and beyond), with the predicted average at 3.59.

Only 1 respondent predicted a Dismal economic performance for 2023, and a further 10 respondents selected Poor. There were 37% of businesses that predicted a loss for 2023, with 2 businesses forecasting their own performance for 2023 as Poor. There were 5 sectors that predicted either a Dismal or Poor economic performance in 2023, and are Agriculture and Animal Related Services (3), Tourism (3), Construction (2), Retailers (2), and Business Services (1). No businesses predicted an Excellent economic performance for 2023, and 27 (50%) of businesses forecast a Good performance for the period. There were 11 primary industries that forecasted a Good economic performance, the highest represented was Tourism, with 10 selections, followed by Agriculture and Animal Related Services, with 6 selections. Only 1 of the respondents predicting a Good economic performance forecast that they would make a loss in 2023, with 82% predicting a profit.

In both the medium and long term, no businesses predicted a Dismal performance of the Islands' economy, with 6 businesses and 8 businesses, respectively, predicting a Poor performance. There were 3 sectors forecasting a Poor economic performance in the medium term: Agriculture and Animal Related Services, Business Services, and Tourism, with 2 selections each. In the long term, 5 sectors forecast a Poor economic performance, the highest represented being Agriculture and Animal Related Services (3 selections), and Tourism (2 selections).



In the medium term, 59% and 3% of respondents forecast either a Good or Excellent performance of the Islands' economy, respectively. These represented 12 primary industries, the highest being Tourism, with 12 selections. When asked to forecast the long term performance of the Islands' economy, 54% predicted a Good rating, and a further 8% predicted an Excellent rating. Again, 12 primary sectors rated the long term economic performance positively, with Tourism being the highest represented, with 11 sections.



Question 21: Please select up to five barriers that prevent the growth of your business?

Often considered to be one of the most important questions in the Business Climate Survey, the answers to this question provide an insight into what issues are affecting businesses operating in the Islands. This set of data aids in identifying key priorities for economic development policies and support from both FIDC and the Falkland Islands Government. The table on the next page provides the results in order of the number of selections received for each barrier to growth.

Shortage of Skilled Labour was the largest identified barrier to growth in the 2023 Business Climate Survey. This barrier to growth has remained in the top-5 since the 2012 edition of the survey, with recruitment and retention a persistent issue for Falkland Islands businesses. The Islands have a limited labour market, with many businesses having to rely on recruitment from overseas. Schemes such as the Community Development Scheme, funded by the Falkland Islands Government, have sought to improve the skills within the Islands, and the Skills Shortage List informs policy decisions around immigration. The ability to recruit and retain skilled workers is compounded by the shortage of available housing (“Housing” is currently placed at 9th in barriers to growth), and limited connectivity both digitally with Telecommunications – Bandwidth (Speed and Quality) 3rd, and Telecommunications (Cost) at 7th, and air links outside of the Islands with Air Links to South America (LATAM) at 4th, and Air Links to the UK (Airbridge) placed at 14th.

In total, 11 primary sectors selected Shortage of Skilled Labour as a barrier to growth, with the highest represented being Tourism, with 5 selections, followed by Construction, with 4 selections. There were 36% of these businesses founded since 2016, indicating the newer businesses struggle to recruit. Most businesses who selected this barrier are based in Stanley (80%), with the Islands being the next highest, with 12% of responses.

Reflecting the increases seen at the latter half of 2022, Cost of Fuel and Cost of Electricity both placed within the top-5 barriers to growth, with Cost of Fuel coming in 2nd, and Cost of Electricity in 5th. These were previously placed in 21st and 36th, respectively, in the 2021 edition of the survey.

Down from 1st position in 2021, Telecommunications (Bandwidth and Speed) placed 3rd in this edition of the survey, remaining in the top-5 since 2018. Businesses are continuing to experience issues in a world which increasingly relies on digital communications. There were 6 sectors who selected this barrier, the highest sectors being Tourism, with 5 selections, followed by Agriculture and Animal related Services, and Fishing, with 4 selections each.

No.	Answer Choices	%	Amount
1	Shortage of Skilled Labour	35.21%	25
2	Cost of Fuel	32.39%	23
3	Telecommunications - Bandwidth (Speed & Quality)	28.17%	20
4	Air Links to South America (LATAM)	23.94%	17
5	Cost of Electricity	22.54%	16
6	Distance to Markets	21.13%	15
7	Telecommunications - Cost	19.72%	14
8	Public Infrastructure	18.31%	13
=9	Coastal Shipping/Ferry	15.49%	11
=9	Freight costs by Sea - Import	15.49%	11
=9	Housing	15.49%	11
=12	Freight costs by Sea - Export	14.08%	10
=12	Small Local Market	14.08%	10
=14	Access to Finance - Credit Card Facilities	12.68%	9
=14	Access to Finance - Merchant Banking Facilities	12.68%	9
=14	Air Link to the UK (Airbridge)	12.68%	9
=14	FIG Regulations	12.68%	9
18	Immigration Regulations & System	11.27%	8
19	Freight via SAAS	9.86%	7
20	Internal Politics	8.45%	6
=21	IT Services / Expertise	8.45%	6
=21	Telecommunications - Package Size	8.45%	6
=21	Other (please specify)	8.45%	6
=24	Access to Finance - Business Loan	7.04%	5
=24	FIG Size/Presence	7.04%	5
=26	FIG Procurement Policy	5.63%	4
=26	Shortage of Unskilled Labour	5.63%	4
=28	Air Link (FIGAS)	4.23%	3
=28	External Politics	4.23%	3
=28	Taxation	4.23%	3
=28	Warehouse Availability	4.23%	3
=32	Freight via FIRS	2.82%	2
=32	Freight by Air Cargo - DHL	2.82%	2
=32	Insurance	2.82%	2
=32	Training	2.82%	2
=36	Freight by Air Cargo	1.41%	1
=36	Freight Costs - Internal	1.41%	1
=36	Freight Costs by DHL	1.41%	1
=36	Lack of Consultancy Services	1.41%	1
=36	Office Availability	1.41%	1
=36	Storage Availability	1.41%	1
=42	Access to Finance - Working Capital Loan/Overdraft	0.00%	0
=42	Accountancy Services	0.00%	0
=42	Legal Services	0.00%	0

Since the 2021 edition of the Business Climate Survey, one of the South America airlinks has been reinstated (Santiago, Chile). However, the second route that briefly ran pre-pandemic via Sao Paulo, Brazil, remains in negotiation. This has seen a slight improvement in the ranking moving from 2nd in 2021 to 5th in 2023. It should be noted that in the 2020 edition of the survey, Airlinks to South America (LATAM) dropped to 16th position from 1st position in 2018, following the establishment of the Brazil route. If a second route is again re-established, we would expect to see this barrier to

growth move down the rankings. Tourism was the largest sector identifying this as a barrier to growth, with 41% of those that selected this barrier being in this primary sector.

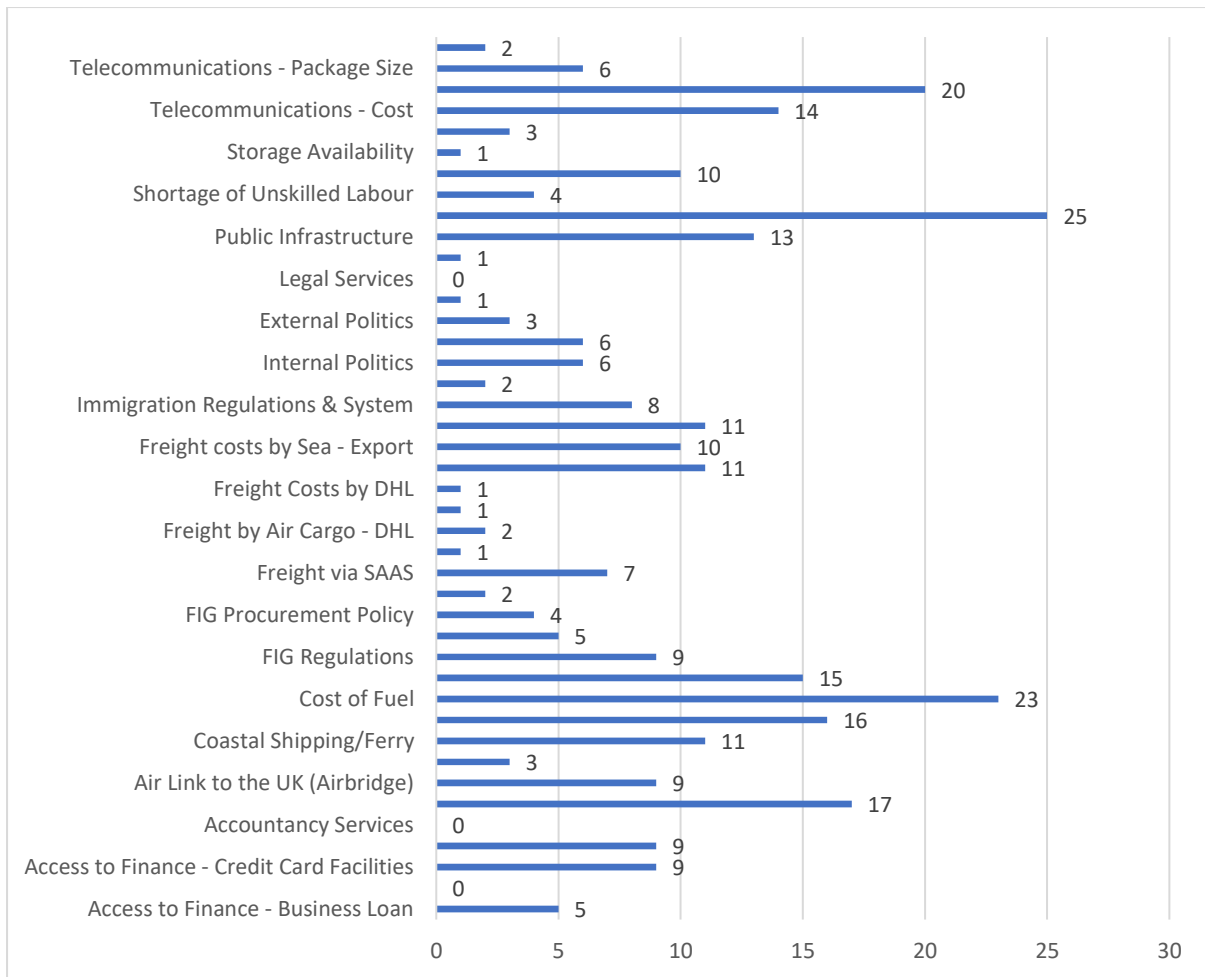
A notable barrier that has moved significantly up the ranking is Public Infrastructure, up from 18th in 2021 to 8th in 2023. Currently, the Falkland Islands Government has an ambitious Capital Programme it is implementing, which includes improvements to the Hospital facilities, a vulnerable persons care home, new power station, port development and a waste management facility, among other key pieces of public infrastructure projects.

Freight Costs by Sea (Import) and Freight Costs by Sea (Export) have also significantly increased in their rankings, moving up from 18th and 36th position respectively in 2021 to joint 9th in 2023. Of those who selected Freight costs by Sea (Export), 80% were from the Agriculture and Animal Related Services industry, with their primary export being wool. Looking at the World Container Index (as published by Drewry.co.uk) for shipping containers in the period from August 2020 - August 2021, there was a steep increase in shipping costs, with the global freight rate (in US \$) for 40-ft. containers rising from approximately \$1,000 to \$10,000. Since September 2022, there has been a global decline in shipping costs, however at the time of the survey in April 2023, the estimated global freight rate for a 40-ft. container was still around \$8,000. With global freight rates moving back to pre-pandemic prices, it is likely that these barriers will move down the rankings in the future as long as other increases in costs are not realised.

Also, in joint 9th position is Coastal Shipping/Ferry, up from 27th place in the 2021 survey. The Ferry service, the Concordia Bay, is often cited as a victim of its own success, providing essential links between East and West Falklands and the outer Islands. It provides two key services, a ferry service between the East and the West islands, and coastal shipping for freight/livestock transport to the outer Islands, and operates often at capacity.

Along with notable rises in rankings, we have seen a number of previously higher placed barriers decrease significantly in 2023. Examples of this include Immigration Regulations, and System and Telecommunications (Package and Size), which ranked joint 12th in 2021, and are now placed at 18th and 21st respectively. The immigration processes were amended and implemented in September 2021, and broadband package sizes increased in December 2022, which are likely to have had a positive bearing on the results.

Internal Politics also placed significantly lower in 2023 compared to 2021, moving from joint 5th to 20th. 2021 was an election year, which likely meant that our political system was under more scrutiny than usual. Access to Finance – Working Capital Loan/Overdraft received no selections this year reducing its position in the rankings from joint 23rd in 2021 to joint 42nd in 2023.



The barriers to growth that have been highlighted in the survey will heavily inform FIDC’s implementation of the Corporate Plan 2024-2029, which includes actions around seeking to develop and implement solutions that will address these barriers.

Question 22: Could you provide some detail regarding your five selections, particularly if you were able to overcome the identified barrier or barriers?

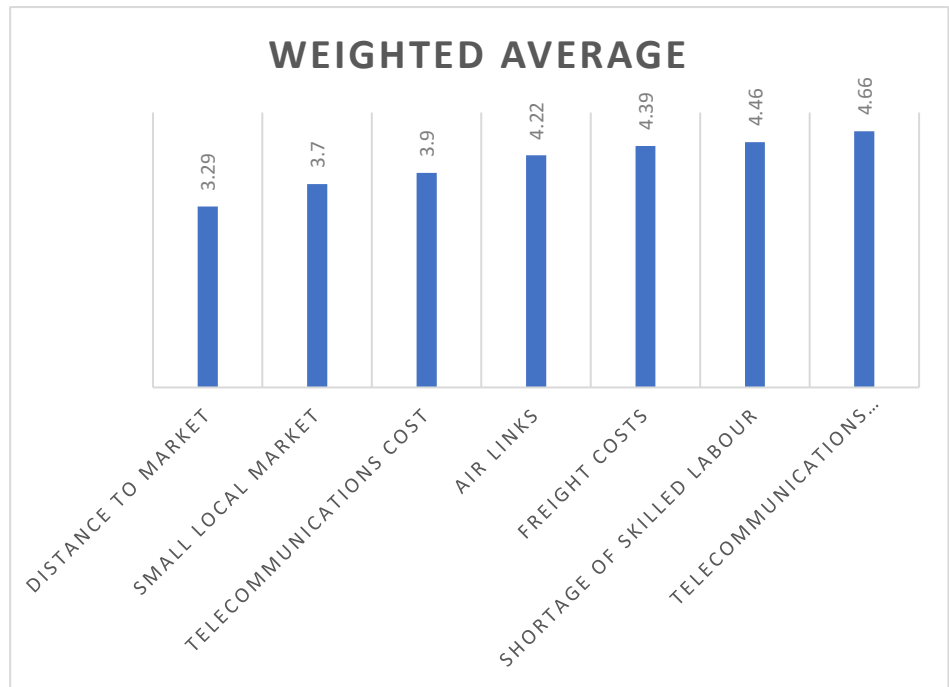
Following on from asking the respondents to identify barriers to growth, we then asked them to provide more detail in an open question regarding how they potentially managed to overcome such barriers. This year 33 businesses answered the question, representing 35% of those who participated in the survey.

The full text responses can be found in the Appendix on page 78.

Question 23: The following have appeared in the top 5 barriers to growth in the last 6 editions of the Business Climate Survey. Please rank the top 5 barriers from 1-7 where 1 is the most significant and 7 the least significant.

This was a new question included in the survey, and is intended to provide some clarity on the reoccurring barriers, and how they ranked in importance overall, creating a weighted average score for each category. There were 64 businesses who answered this question, with 30 respondents skipping it.

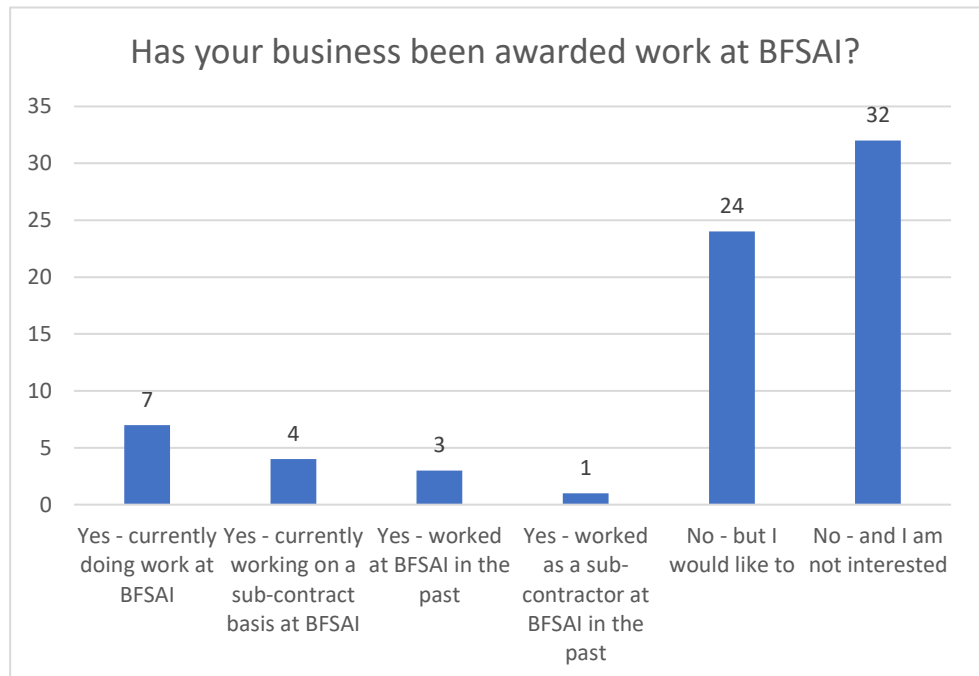
The highest scoring barrier by weighted average was Telecommunications Bandwidth (Speed & Quality), with a score of 4.66, followed by Shortage of Skilled Labour, with a weighted average of 4.46. The lowest scoring of the barriers to growth both involved market access with Distance to Markets, scoring 3.29, and Small Local Market, with a 3.7 weighted average.



Question 24: Has your business been awarded work at British Forces South Atlantic Islands (BFSAI)?

The next two questions in the survey focus on the Ministry of Defence (MoD) market, and opportunities for work with the British Forces South Atlantic Islands (BFSAI). In previous years, the Falkland Islands Chamber of Commerce and FIDC have worked together to try to ensure better local opportunities for contracts with the MoD.

In responding to the question, 15 businesses stated they either had worked with BFSAI in the past or are doing so currently, including those working on a subcontract with BFSAI. In total, 11



businesses stated they are currently working with BFSAI, with 4 of these on a subcontract basis. This is a reversal of the decrease seen in previous editions of the survey, where in 2018 there were 11 businesses working with BFSAI, reducing to 10 in 2020, and 8 in 2021. Industries that are directly contracted to work with BFSAI are Business Services, Construction, Marine Services, and Retailers.

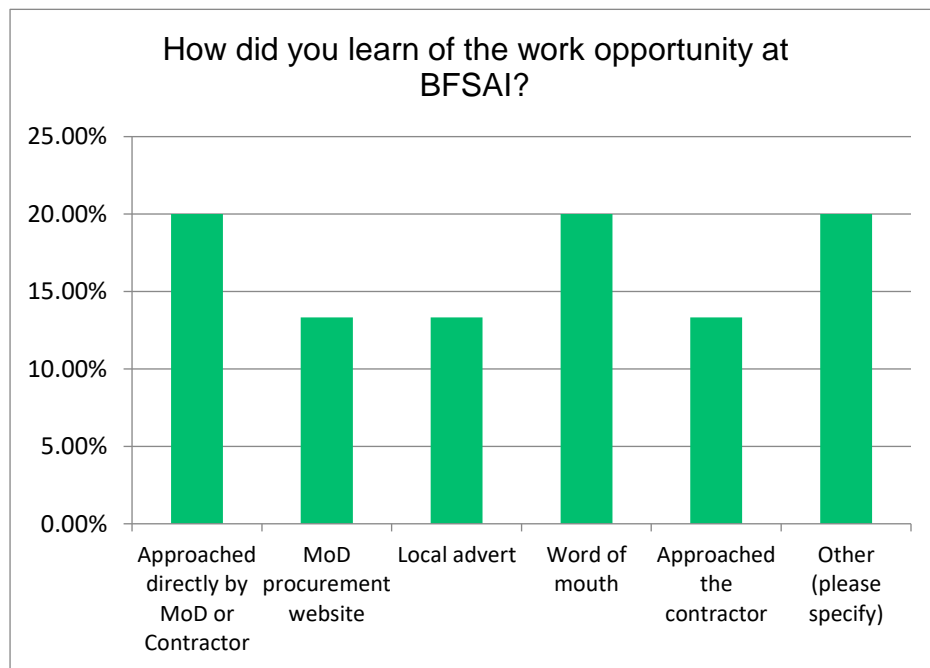
Those subcontracted to work for BFSAI were from the Business Services, Land Transport, Science, Research and Environmental Services, and Tourism.

There were 4 businesses that indicated they had worked with BFSAI in the past, 1 of these as a sub-contractor. This is the same result seen in 2021, and a reduction from the 10 businesses reporting to have worked at BFSAI in the 2020 edition of the survey. These businesses came from the Construction, Fishing, and Tourism primary sectors.

Of the respondents to the question, 34% indicated that they would like to access opportunities with BFSAI, and 45% stated that they were not interested. The 24 businesses who signalled that they would be interested at working with BFSAI were from 9 sectors, with the highest scoring primary sector being Agriculture and Animal Related Services, with 6 selections. Of the 32 respondents who indicated that they were not interested in contract opportunities with BFSAI, 9 primary industries were represented, with the highest number of selections from Tourism (10), and Agriculture and Animal Related Services (7).

Question 25: How did you learn of the work opportunity at BFSAI?

This question aims to identify how contract opportunities at with BFSAI were identified and accessed by the respondents, who are either currently working with BFSAI, or have done so in the past, including those who are on sub-contracts.



According to the respondents, 20% of those working with BFSAI were approached directly either by the MoD or a contractor, and another 20% learnt of the opportunity via Word of Mouth. SAROS remained an option in this edition of the survey, however it ceased operating in 2022 due to lack of use of the service. As seen in previous editions

of the survey, no respondents selected SAROS as a means of accessing opportunities at BFSAI, providing further evidence of the lack of take up of the service.

Question 26: Has your business ever received assistance from FIDC?

The next set of questions within this section focus on FIDC. This question attempts to understand the number of respondents to the survey, who are or have received assistance from FIDC since its establishment in 1983. There were 71 responses to this question, with 23 choosing to skip this part of the survey. This year, 50.7% of respondents indicated that they had received support from FIDC, up from 48.5% in 2021.

Answer Options	2016 Survey	2018 Survey	2020 Survey	2021 Survey	2023 Survey
Yes	53.9%	59.3%	54.6%	48.5%	50.7%
No	46.1%	40.7%	45.4%	51.5%	49.3%

The responses indicate that FIDC has assisted 11 of the 15 industries included in the survey, an increase from 10 in 2021, and 9 in 2020. The largest represented primary sectors who received support were Agriculture and Animal Related Services, with 9 selections, and Construction, and Tourism, with 6 selections each. There were 50% of the businesses from the Agriculture and Animal Related Services that responded to the survey and indicated support from FIDC, however the sector that had the highest percentage of support was Construction, with 75% of construction businesses responding to the survey, stating they had received some assistance from FIDC. If we include secondary industries, then all 15 sectors have received some form of support from FIDC.

Of businesses having received assistance from FIDC were founded after 2011 (13 businesses, or 36%), with 1 having been established in the last 12 months. Of businesses indicating FIDC support, 56% are based in Stanley, with the remaining spread over East (14%) and West Falkland (11%), the Islands (16%), and Mount Pleasant (3%).

Of the businesses who declared that they had received assistance from FIDC either recently or in the past, 64% reported a profit in 2021 (7% above the overall survey results), and 58% reported a profit for 2022 (5% lower than overall survey results). Of the businesses assisted by FIDC, 33% had a turnover of less than £100k in both 2021 and 2022, with 17% of businesses turning over more than £1.01m over the same period.

The majority of businesses supported by FIDC had five or less full-time employees (75% in 2021 and 70% in 2022). No business that reported assistance from FIDC had 26 or more employees. Of business supported by FIDC, 44% are Limited Companies, with the next highest business type being Sole Traders, with 33% of the responses.

Question 27: If you answered 'Yes' to the previous Question, can you provide the types of assistance your business has received from FIDC and when such assistance was received?

In previous editions of the Business Climate Survey, we have asked respondents to provide further detail on the types of assistance that they have received from FIDC. This year along with five service options and 'Other', respondents were asked to provide information regarding when the assistance was received. Respondents could also choose more than one option as often the services, and types of assistance are not mutually exclusive.

Full responses to the Other option can be found in the Appendix on page 83.

Type of Assistance	Total number of selections
Business Advice	21
Loan	26
Grant (Business, Energy, Domestic)	26
Renewable Energy Advice	13
Training	16

Overall Grants (Business, Energy, Domestic) and Loans were the most popular services, with 26 selections each (25% each), followed by Business Advice, with 21 selections (21%). This reflects previous editions of the survey where Grants and Loans have been the most utilised type of assistance reported by

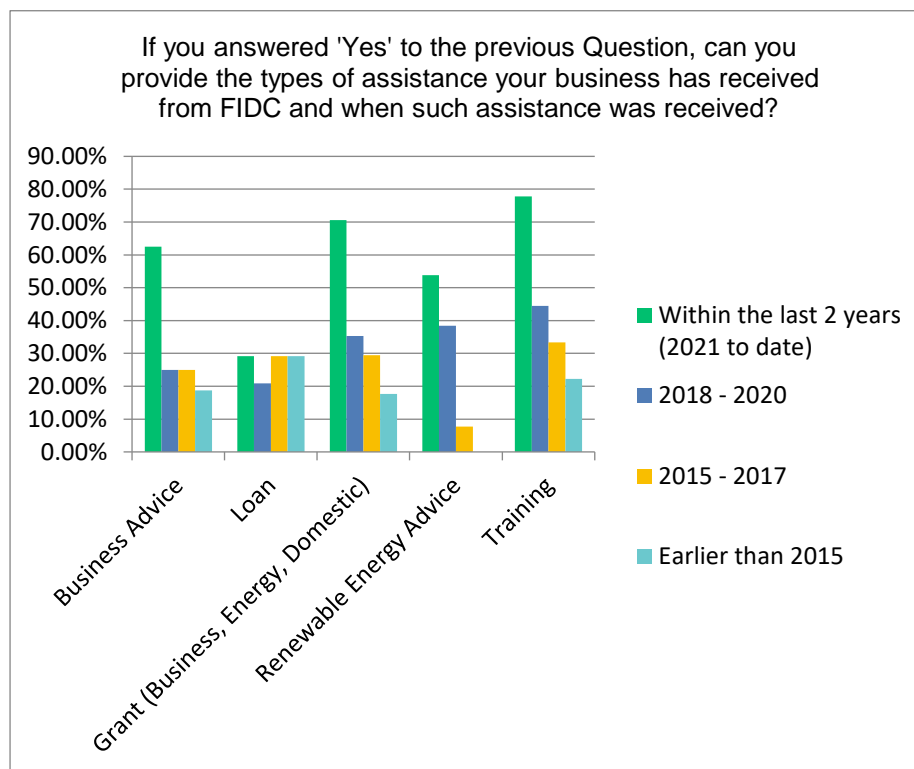
respondents, followed by Business Advice. The 26 loans declared in the survey were provided to 24 respondents, indicating that clients who have accessed funding from FIDC previously will return. There was an even higher number of return clients for Grant funding, with 26 grants declared by 17

respondents. When rating the performance of FIDC, 59% of those who had received loans, and 58% of those who had received grants gave a Good or Excellent performance rating. Of the 54% of businesses that reported receiving loan financing from FIDC, those businesses also reported having received Business Advice, and 33% had also accessed grant funding.

Training was the next most popular type of assistance, with 16 selections. Again, we saw repeat clients over the years, with 9 respondents in total selecting this option, followed by Renewable Energy Advice, with 13 selections from 13 respondents over the years.

Looking at the last two years, the most popular type of assistance or service provided by FIDC was Grants (Business, Energy, Domestic), with 12 selections (28%), followed by Business Advice, with 10 selections (43%). There were 7 loans declared by respondents over this period from 7 respondents. Of the 57% of respondents who received loan funding, they also accessed grant funding in this period.

The last two years also saw the highest number of selections for Training as a service provided by FIDC, with 7 selections from 7 individual businesses. FIDC has continued to grow its training offering, and this can be seen in the results, with only 2 clients stating they accessed FIDC training prior to 2015, rising to 3 for the period 2015-2017, and 4 the period 2018-2020.



For the period 2018-2020, Grant assistance remained the most popular type of support provided by FIDC, with 6 (25%) of the 24 selections. In joint second for this period was Loan financing, and Renewable Energy Advice, with 5 selections each.

Loan funding was the most popular type of assistance in both the period 2015-2017, and pre-2015, with 7 selections for each timeframe.

This year's survey saw an increase in the percentage of businesses based in Stanley or Mount Pleasant that received Renewable Energy Advice, up from 10% in 2021 to 38% in 2023, with 3 of these businesses receiving advice in the last two years. In 2022, FIDC employed an energy consultant to work with businesses in the Islands on energy audits. This has now become an annual event, with the consultant providing advice to both Stanley and rural businesses.

Of the businesses who have received Business Advice from FIDC in the past (69%), these businesses rated their business performance in 2021 as Good or Excellent, rising to 81% in 2022, and none of these businesses predict a loss for 2023.

Question 28: How do you rate the performance of FIDC?

Although FIDC does run a client satisfaction survey each year, it is also important to understand the views of the business community as a whole, not just that of clients we have worked with within the last 12 months. This question is important in measuring business community confidence in FIDC. A total of 71 businesses responded to this question, with 23 opting to skip it.

For context, at the time of the Business Climate Survey running in April 2023, FIDC was in the final stages of a Review conducted by the Falkland Islands Government, and in consultation with the government and private sector stakeholders. The outcomes of this Review led to the development of a Strategic Implementation Plan, setting out a clear direction for improvement to services, which was approved by Executive Council in July 2023, more than two months after the survey had closed.

Year	Weighted Average
2023	3.2
2021	3.48
2020	3.27
2018	3.56
2016	3.45

The weighted average score for FIDC was 3.2 (out of 5), a decrease from the 2021 edition of the survey, where the average score was 3.48. The table illustrates the weighted average scores provided by respondents since 2016. The current score can be interpreted as between Good and Average.

Overall, 41% of respondents (29) indicated that FIDC's performance was either Good or Excellent, with 32% rating its performance as Average (23). There were 6 respondents who rated FIDC as Dismal, and a further 13 who rated it as Poor (27% in total Poor or Dismal rating).

FIDC will continue to look at ways to improve its performance and service.

Question 29: What additional services could FIDC offer that would be of assistance to your business?

This question seeks feedback from respondents regarding what other services they would like to see offered by FIDC, or how specifically FIDC could provide key assistance to their businesses. There were 25 responses to this question, and they can be found in full in the Appendix on page 84.

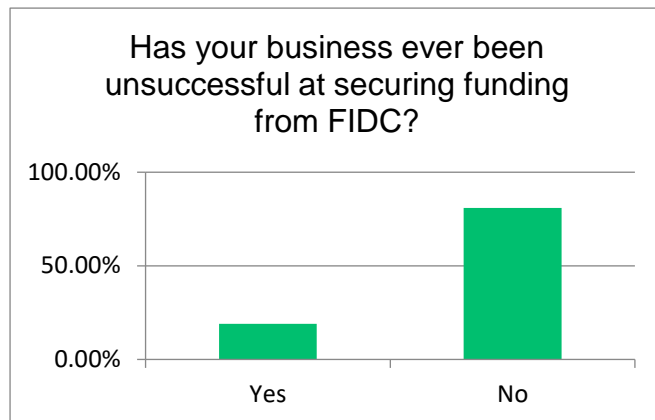
Question 30: What do you think FIDC's role in the economic development of the Falkland Islands should be?

This is another question seeking the opinions and feedback of the business community regarding the role of FIDC within the economy. Of the 94 businesses who participated in the survey, 27 responded to this question and the full responses can be found in the Appendix on page 85.

There were a significant number of responses that focussed on continuing to assist small businesses to start-up and grow, and provide suitable grant and loan financing options. Other comments also referred to more cross-agency working, especially in developing key strategies for the Islands.

Question 31: Has your business ever been unsuccessful at securing funding from FIDC?

This is the first time this question has been included in the Business Climate Survey. The aim via this question, and the follow up question, is to gather data on how successful businesses have been in securing funding form FIDC, and if they have not been, what has prevented it. Of the 71 respondents



that answered this question, there were 24 that stated this question was not applicable.

Of the 47 businesses who either answered Yes or No to having been unsuccessful at having funding approved from FIDC, 81% (38) stated that they had been successful, and 19% (9) stated that they had not been. Businesses who had secured funding were made up of 12 sectors, with Agriculture and Animal Related Services, and Tourism

having 8 selections each. Of those who stated they had been successful in accessing funding from FIDC, 45% were formed post-2011.

Of the 9 businesses who stated they had been unsuccessful securing funding from FIDC in the past, they represented 6 sectors, with Agriculture and Animal Related Services the highest scoring, with 3 selections. No businesses founded within the last 12 months stated that they had been unsuccessful in getting funding support from FIDC.

Question 32: If you answered Yes in previous question, what were the reasons why you were unsuccessful securing funding?

This question seeks further detail regarding why respondents believed that they were unable to access funding support from FIDC. There were 9 responses to this question, and the full responses can be found in the Appendix on page 87.

Section 4 Innovation

Introduction

Innovation in business can lead to improved process, products and services, better efficiency, cost saving, and improved profit. Innovation in a changing world helps to keep organisations relevant, and can deliver significant benefits. This section of the survey asks respondents to report on how important they feel innovation is and how their business performs in terms of innovation. It also looks at what barriers might be preventing businesses from taking a more innovative approach.

Highlights

- 91% of respondents rated their businesses as either Innovative or Very Innovative;
- Agriculture and Animal related Services had the most businesses that rated themselves as Innovative or Very Innovative;
- 96% of respondents stated that innovation was either Important or Very Important;
- 70% of businesses invested in Research and Development in 2021;
- 73% of businesses invested in Research and Development in 2022;
- 73% of businesses indicated they will invest in Research and Development in 2023;
- 81% of businesses are exploring ways of innovating their business;
- Improvements to products/services was the most popular type of innovation businesses are exploring;
- The top-3 barriers to innovation are: Telecommunications - Bandwidth (Speed & Quality), Shortage of Skilled Labour, and Distance to Markets.

Results

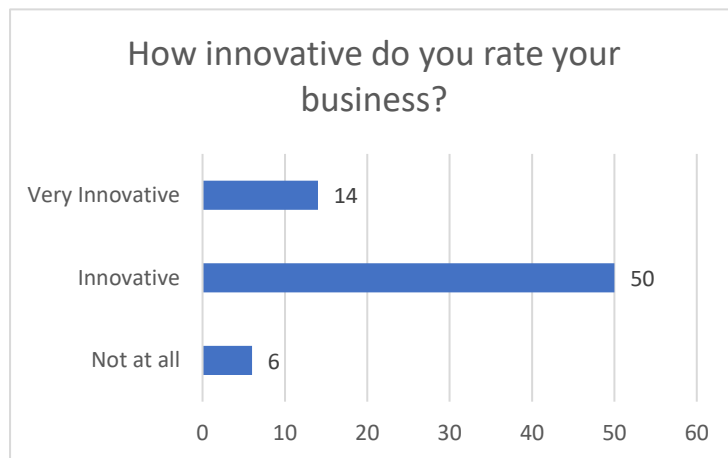
Question 33: How innovative do you rate your business?

This question asks the participants of the survey to rate how innovative they consider their business to be, with 70 individual businesses responding to this question.

Of businesses who responded to this question, 91% rated themselves as either Innovative or Very Innovative, with 50 and 14 selections, respectively, which is an increase from 83% in 2021. There were 9% of businesses (6 respondents) that stated they considered themselves Not At All Innovative. Overall, the weighted average score for how businesses rated their innovation was 2.11 out of 3, an increase from 2021, when the weighted average was 2.05.

There were 72% of businesses that rated themselves as Innovative (50 selections), from 11 different primary sectors. Of the 14 businesses (20%) who stated they were Very Innovative, they represented 10 different industries. Agriculture and Animal related Services, and Tourism were the two sectors with the most selections under Innovative or Very Innovative, with 13 and 12 selections, respectively. All of the following primary sector businesses who responded to the survey considered

their businesses to be either Innovative or Very Innovative: Communications and Finance, Education, Health and Social Care, and Land Transport. All of the Animal and Agriculture Related Services businesses who answered this question either rated themselves as Innovative or Very Innovative.



When looking at innovation and business performance, 64% of businesses who rated themselves as Very Innovative assessed their performance in 2021 as either Good or Excellent, rising to 79% for 2022. When forecasting future performance, 93% of those who rated themselves as Very Innovative predicted either Good or Excellent business performance. In terms of profitability, the Very Innovative

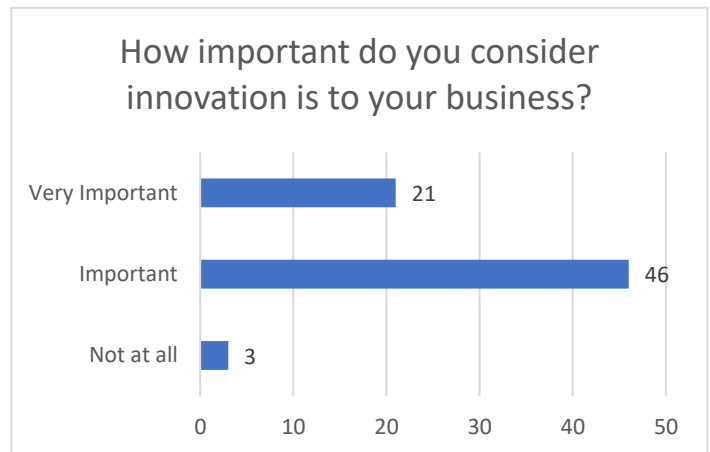
businesses declared that 57% made a profit in both 2021 and 2022, and 79% predicted a profit for 2023. There were 21% of Very Innovative businesses that reported a loss in 2021 and 2022, and the same percentage predicted a loss for 2023.

Looking at the 50 businesses who rated themselves as Innovative, 60% considered their business' performance in 2021 to be Good or Excellent, rising to 76% in 2022, with 72% forecasting a Good or Excellent business performance in 2023. When reporting on profit, 60% and 62% of Innovative businesses reported a profit in 2021 and 2022, respectively, with 72% forecasting a profit for 2023. The percentage of Innovative businesses reporting a loss for the same period was lower than those who rated themselves as Very Innovative, with 20% reporting a loss in 2021, lowering to 14% in 2022, and 12% forecast for 2023.

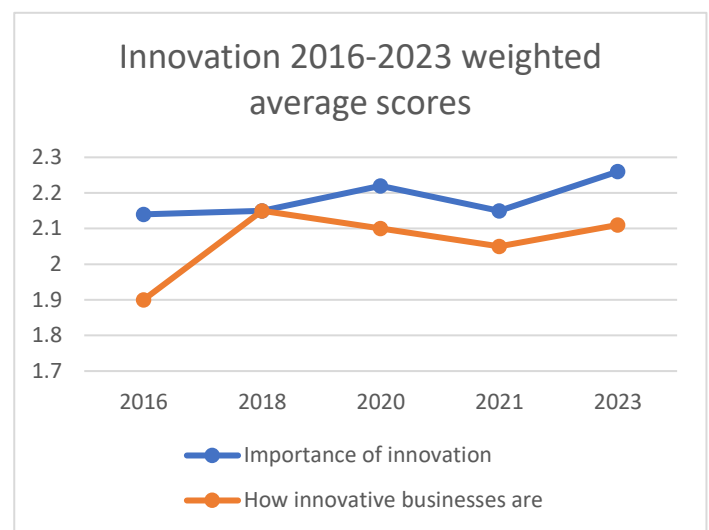
There were five primary sectors represented across the 6 businesses who considered themselves Not At All Innovative: Business Services, Construction, Marine Services, Tourism, and Transport Ancillary. No businesses who stated that they were Not At All Innovative reported Excellent business performance in 2021 or 2022, and none of these businesses forecast an Excellent performance for 2023. Of the 33% of businesses that considered their business performance in 2021 to be Good, those rose to 50% in 2022, and was predicted to increase to 67% in 2023. In terms of profitability, 50% reported a profit in 2021, rising to 67% in 2022, and predicted to increase to 83% in 2023. These businesses appeared to be more profitable than the Innovative businesses in 2022, and are forecasting better performance in terms of profit for 2023.

Overall, business performance for the Not At All Innovative businesses was lower than those who were either Innovative or Very Innovative.

Question 34: How important do you consider innovation is to your business? This question asks respondents to rate how important innovation is to their business, which allows us to compare how innovative businesses consider themselves to be with how important they view innovation. There were 70 responses to this question, with 96% stating that innovation was either Important (66%) or Very Important (30%) to their business, an increase from 88% in the 2021 edition of the survey. Only 3 respondents (4%) selected Not At All, a decrease from 12% in 2021.



The weighted average (out of a possible 3) rose from 2.15 in 2021 to 2.26 in this edition of the survey. This is the highest scoring weighted average for the importance of innovation to the business community since 2016. The next graph tracks the weighted average scores for how important businesses consider innovation to be, and how innovative they rated their own businesses over the last five editions of the Business Climate Survey. With the exception of 2018, businesses in general are reporting a higher importance of innovation than they consider their own business to be.



This table illustrates the innovative rating by sector compared to the sectors rating of the importance of innovation. There were 7 industries reported that said they were as innovative as they needed to be, up from 4 in 2021. Industries with an innovative rating the same as their innovation importance rating are Education, Health and Social Services, Restaurants and Hotels, Retailers, Science Research and Environmental Services, Tourism, and Transport Ancillary. Land Transport was the only industry that is reported itself as more innovative than it considered innovative importance to be.

Primary Industry	Innovative Rating	Innovative Importance	Variance
Agriculture & Animal Related Services	2.08	2.23	-0.25
Business Services	1.86	2.29	-0.43
Communications & Finance	2.00	2.50	-0.50
Construction	2.14	2.29	-0.15
Education, Health & Social Services	2.33	2.33	0.00
Fishing	2.17	2.50	-0.33
Land Transport	3.00	2.00	+1.00
Marine Services	2.00	2.40	-0.40
Mining, Quarrying, Oil and Gas Services	n/a	n/a	n/a
Real Estate	n/a	n/a	n/a
Restaurants & Hotels	2.5	2.5	0.00
Retailers	2.29	2.29	0.00
Science Research & Environmental Services	3.00	3.00	0.00
Tourism	2.07	2.07	0.00
Transport Ancillary	1.50	1.50	0.00

There were 13 primary industries who stated that innovation was either Important or Very Important to their businesses, with 11 rating innovation as Very Important. Agriculture and Animal Related Services, and Tourism were the two highest represented sectors, with 19% and 18% of the selections, respectively. All of the businesses who responded to the survey from the following sectors answered this question and rated innovation as either Important or Very Important to their

business: Communications and Finance, Education, Health and Social Care, Land Transport, and Marine Services.

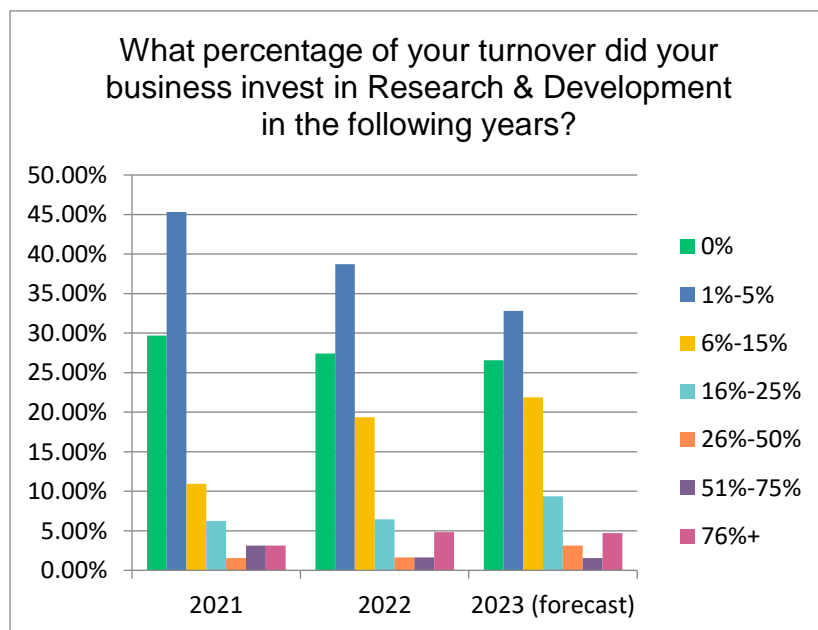
The 3 businesses who selected Not At All when rating the importance of innovation to their businesses represented 2 sectors: Tourism (with 2 selections) and Transport Ancillary (1 selection). Of the 6 businesses who stated that they were Not at All innovative, 3 (50%) still rated innovation as Important.

Question 35: What percentage of your turnover did your business invest in Research & Development in the following years?

Respondents are asked in this question to provide an approximation of their spend on Research and Development (R&D) as a percentage of their turnover in 2021, 2022, and forecast for 2023. There were 67 businesses who answered this question.

In 2021, 30% of businesses stated that they spent nothing on Research and Development. Overall, 70% of businesses stated that they had invested some level of their turnover into R&D, a significant increase from the 59% forecast in the 2021 edition of the survey. The most common level of spend for 2021 was between 1 - 5%, with 45% of businesses indicating they had invested this level of turnover into Research and Development. This is an increase from the forecasted spend as predicted in 2021, where 33% forecast this level of spend. There were 2 businesses who indicated that they spent 76%+ of their turnover into Research and Development in 2021. This is the same as the forecast from the 2021 survey.

The percentage of businesses not investing in Research and Development in 2022 decreased to 27%, with the remaining 73% investing some percentage of their turnover into R&D for this period. Again, the most common level of turnover spend was in the 1 - 5% bracket, with 39% of respondents indicating this. The second most popular level of spend into R&D in 2022 was 6 - 15%, with 19% of respondents reporting this. The number of businesses who reported spending over 76%+ of the turnover in Research and Development increased from 2 in 2021 to 3 in 2022.



There were 13 of 14 primary industries that indicated a percentage spend of their turnover in Research in Development over 2021, and 2022. Mining, Quarrying and Oil and Gas Services did not answer this question, which means that all industries responding to this question of the survey indicated some level of spend on R&D.

Primary sectors who reported spending 16 - 25% or higher in 2021 and 2022 were Agriculture and Animal

Related Services, Business Services, Education, Health and Social Services, Retailers, Science Research and Environmental Services, and Tourism.

Following on from reporting on spend, respondents were asked to forecast their spend as a percentage of their turnover for 2023. Reflecting the results reported for 2022, 27% indicated that they would not be investing any of their turnover into Research and Development, with 73% indicating that they would. There were 33% of businesses that responded to this question and indicated a spend of 1 - 5% of their turnover, with 22% forecasting that they would spend between 6 - 15%. The number of businesses predicting that they would invest more than 76%+ into R&D remained at 3, the same figure as reported for 2022.

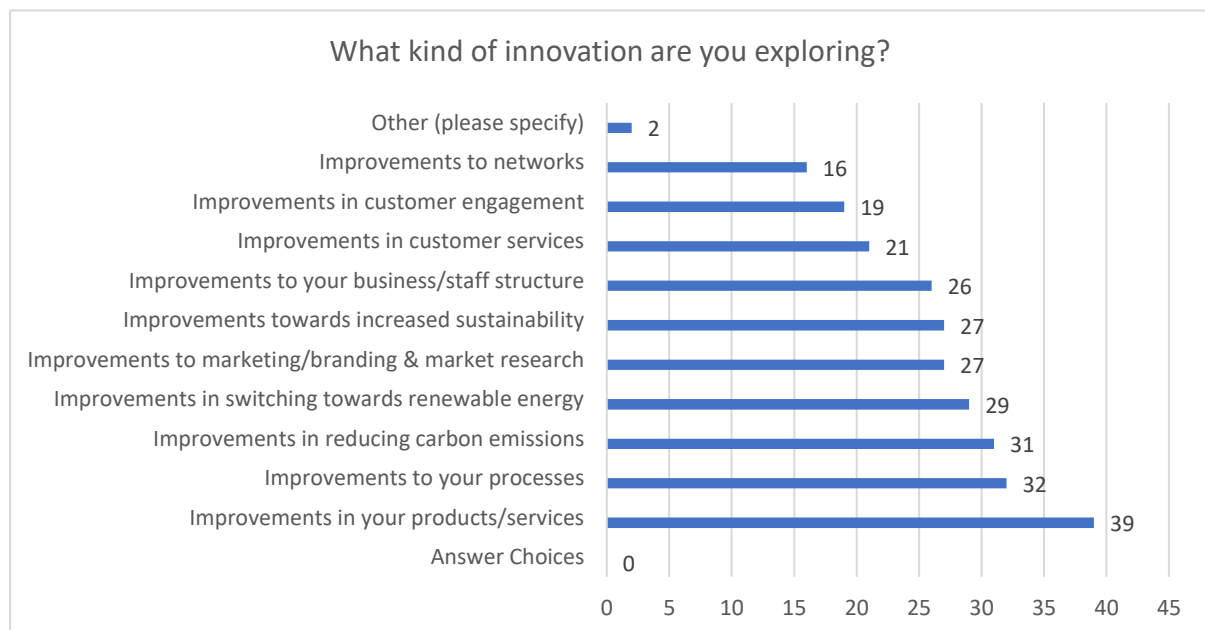
There were 13 primary sectors that answered this question, with all 13 indicating that they would invest some of their turnover into Research and Development in 2023. Land Transport was the only primary industry where 100% of the sector who participated in the survey stated that they would invest in Research and Development in 2023.

Question 36: Are you currently exploring ways to innovate your business?

There were 70 businesses who responded to this simple yes or no question, with 81% of businesses stating that they were exploring ways to innovate their business, a significant increase from 69% in 2021.

Question 37: If you answered 'Yes' to the previous Question, what kind of innovation are you exploring?

This follow up question from question 36 was answered by 57 businesses, and asks the respondents to identify the types of innovation they are exploring. Respondents were able to choose multiple answers to this question. This year the number of options increased from 7 to 10, with the inclusion of three new ways of exploring innovation: Improvements in reducing carbon emissions; Improvements in switching towards renewable energy; and Improvements towards increased sustainability. As in previous editions of the survey, respondents were also provided with an Other option, and the opportunity to elaborate on the type of innovation they were exploring.



The 57 respondents to this question selected a total of 267 types of innovation. On average businesses are exploring 4.68 ways of being more innovative, a significant increase from 2.75 in

2021. However, if we removed the 3 new categories for comparison with 2021, on average businesses were exploring 3.16 types of innovation.

The top-3 types of innovation being explored by businesses are: Improvements in your products/services (39 selections); Improvements to your processes (32 selections); and Improvements in reducing carbon emissions (32 selections).

There were two selections for Other. and these can be found in full in the Appendix on page 89.

Question 38: Please select up to three barriers that prevent your business from innovating?

Like the barriers to business growth question as seen earlier in the survey, this question uses the same categories, but asks the respondents to select three that they feel are a barrier to their businesses being innovative. Often the ability to grow and develop your business is intrinsically linked with the ability to innovate. The table displays the top-10 barriers to innovation as identified via this question, and what their ranking was in terms of barriers to business growth as reported on in question 21.

	Barrier to Innovation Rank	Barrier to Business Growth Rank	Variance
Telecommunications - Bandwidth (Speed & Quality)	1	3	+2
Shortage of Skilled Labour	2	1	-1
Distance to Markets	3	6	+3
Small Local Market	4	=12	+8
Cost of Fuel	=5	2	-3
FIG Regulations	=5	=14	+9
Air Links to South America (LATAM)	=7	4	-3
Coastal Shipping/Ferry	=7	=9	+2
Telecommunications - Cost	=7	=7	0
Other (please specify)	=7	=21	+14

Of the top 10 barriers to innovation, 7 appear in the top 10 barriers to business growth. The largest identified barrier to innovation being Telecommunications – Bandwidth (Speed and Quality) with 17 selections. This barrier ranked at number 3 in the barriers to business growth. The second highest barrier to innovation is Shortage of Skilled labour with 14 selections and was ranked number 1 in barriers to growth.

Six of the previous top 10 barriers to innovation as reported in 2021 remain in the top 10 in 2023. New entrants into the top 10 barriers for innovation are: Distance to Markets, Cost of Fuel, FIG Regulations and Coastal Shipping/Ferry. Notable decreases in ranking are Access to Finance – Business Loan down from Joint 5th in 2021 to Joint 11th in 2023, Telecommunications- Package Size down from joint 5th to Joint 25th in 2023, Warehouse Availability from 9th to receiving no selections in 2023, Access to Finance - Working Capital Loan/Overdraft from joint 10th to joint 22nd, Training from joint 10th to joint 16th and Internal Politics down from joint 10th to joint 30th.

Section 5 Business Associations

Introduction

The last section of the Business Climate Survey is devoted to the business associations who work with FIDC to review, develop, and distribute the survey: Falkland Islands Chamber of Commerce, Rural Business Association (RBA), and the Falkland Islands Tourism Association (FITA). The questions within this section have been developed by the associations, and seek to gather information about their services and performance, as well as providing the associations with a platform to ask additional questions of their member base.

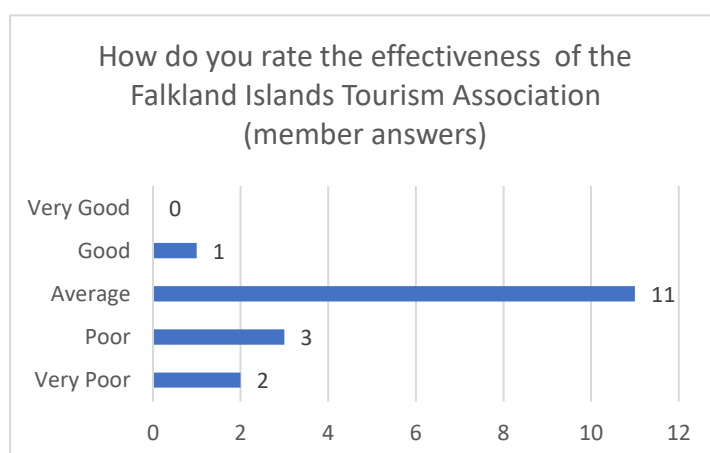
The results can be found in full in the appendix on page 92.

Highlights

- 6% of FITA’s members rated its effectiveness as Good;
- The highest rated service provided by FITA is Encourage the Development of Domestic Falkland Islands Tourism;
- 83% of Chamber members rated its effectiveness as either Good or Very Good;
- The highest scoring core services provided by the Chamber of Commerce are: Email & News Updates, Interaction with Members, and Events/ Meetings, all scoring a weighted average of 2.90 out of 3;
- 60% of RBA members felt a more structure approach was needed to manage its members’ interests;
- 78% of RBA members felt that the Rural Development Strategy (RDS) had run its course.

Results

Question 40: How do you rate the effectiveness of the Falkland Islands Tourism Association?



For the purpose of this question, we looked specifically at how the members of FITA viewed the effectiveness of the association, filtering out non-member responses. There were 17 FITA members that answered this question, with 8 choosing to skip it.

No FITA member rated its effectiveness as Very Good, and only 1 member selected Good as a rating. The majority

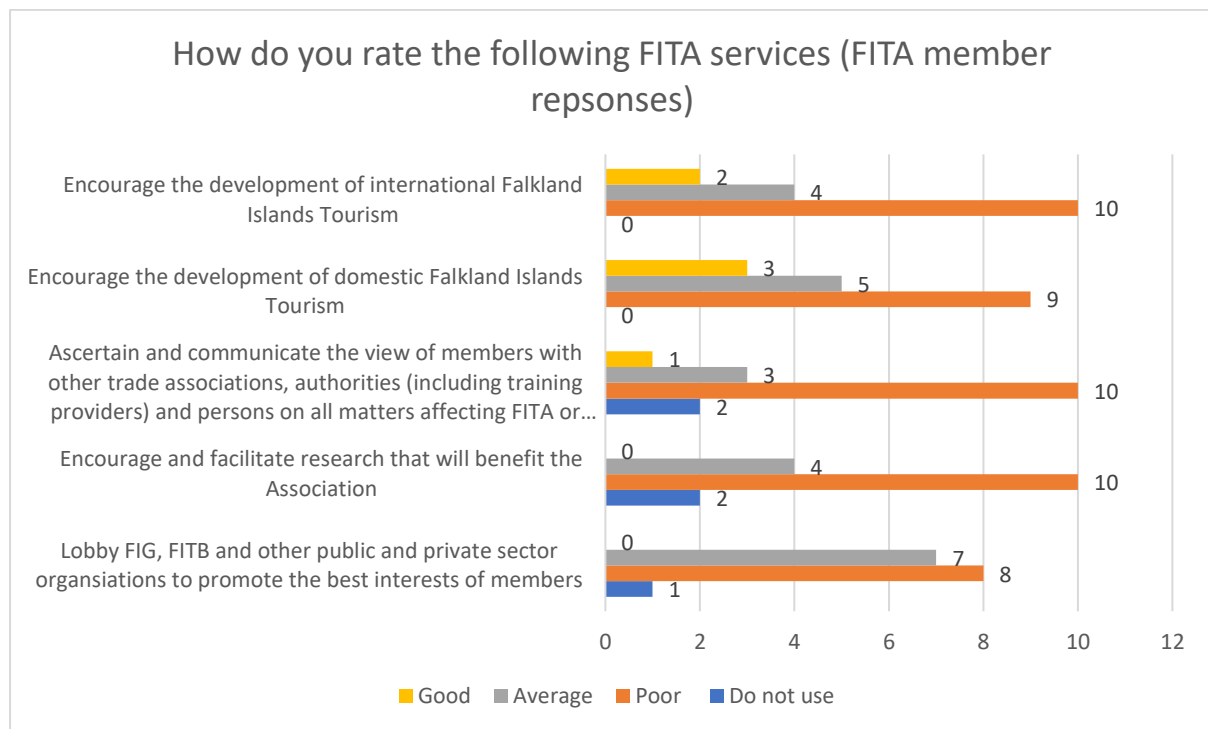
of FITA members rated its effectiveness as Average, with 11 selections (65%). There were 3

selections for Poor, and 2 for Very Poor. Overall, the weighted average performance of FITA for 2023 is 2.65 (out of 5), a decrease from 3.18 in 2021.

However, if we look at how non-FITA members viewed the effectiveness of the association, the weighted average score is 3.02, indicating that those outside of the association rate its effectiveness higher than its own membership.

Question 41: How do you rate the following FITA services?

Again, for the purpose of analysing this question, non-FITA member responses have been filtered out. This list of services is the same as the list provided in the 2021 edition of the survey for comparison. There were 17 FITA member responses to this question.



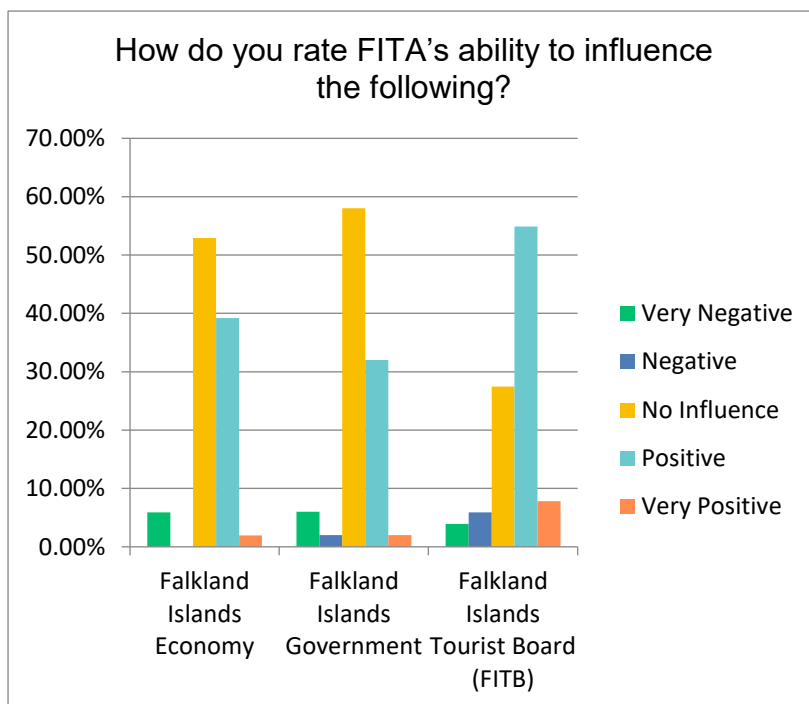
The highest rated service provided by FITA is Encourage the development of domestic Falkland Islands Tourism, with a weighted average of 2.65 (out of 4). There were 18% of FITA members that rated this service as Good. No member stated that they do not use this service.

The second highest rated FITA service is Encourage the development of international Falkland Islands Tourism, with a score of 2.5. Again, no members declared not using the service, and 13% of FITA members rated this service as Good.

The lowest scoring service provided by FITA is Encourage and facilitate research that will benefit the Association, with a weighted average score of 2.13 (out of 4). There were 2 members that stated they did not use the service, and no members rated the service as Good. There were 10 members (63%) who rated this service as Poor.

Question 42: How do you rate FITA’s ability to influence the following?

For this question, all responses to the survey have been analysed and then compared with FITA member only responses. There were 51 responses from survey participants, with 17 of these being from FITA members.



When rating FITA's ability to influence the economy of the Falkland Islands, the overall weighted average score was 3.31 (out of 5). This included all respondents to this question in the survey, with 41% stating the FITA's influence was either Positive or Very Positive. FITA members scored FITA's influence over the economy lower, with a weighted average rating of 2.94, and 30% providing a Positive rating. No FITA members rated FITA's influence as Very Positive.

Overall, respondents rated FITA's influence of FIG at 3.22 (out of 5), with 34% stating they felt that FITA's influence over FIG was either Positive or Very Positive. FITA members rated the association's influence over FIG at 2.94, with 30% scoring FITA's influence as Positive. There were no Very Positive ratings from FITA members for its influence over FIG.

The highest scoring influence was identified as FITA's ability to influence the Falkland Islands Tourist Board (FITB), with a weighted average of 3.57, and 63% of respondents rating it as either Positive or Very Positive. FITA members also rated this influence the highest, with a core of 3.41, and 65% of their members rating FITA's influence over FITB as either Positive or Very Positive.

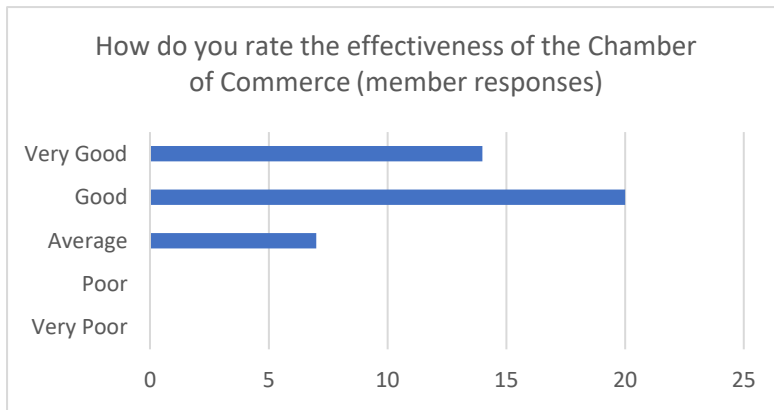
In the 2021 edition of the survey, no respondents selected either Very Negative or Negative to FITA's influence over the Falkland Islands Economy, the Falkland Islands Government, or FITB. In this edition of the survey, there were 3 selections each under Very Negative for both the Economy and FIG, and 2 selections under this rating for FITB. All of these Very Negative ratings came from members of FITA. No respondents selected Negative for FITA's influence over the economy, with 1 selecting Negative for FIG, and 3 selecting Negative for its influence over FITB. No FITA members selected Negative as a rating for influence over the economy or FIG, with 1 selecting Negative for FITA's influence over FITB.

Question 43: If you wish to provide further comment regarding the performance of the Falkland Islands Tourism Association please do so in the box below.

There were 8 responses to this question, and they can be found in full in the Appendix on page 93. There were 4 responses from FITA members.

Question 44: How do you rate the effectiveness of the Chamber of Commerce?

For this question, we looked specifically at how the members of the Falkland Islands Chamber of Commerce viewed the effectiveness of the association, filtering out non-member responses. There were 41 Chamber members that answered this question, with 13 choosing to skip it.

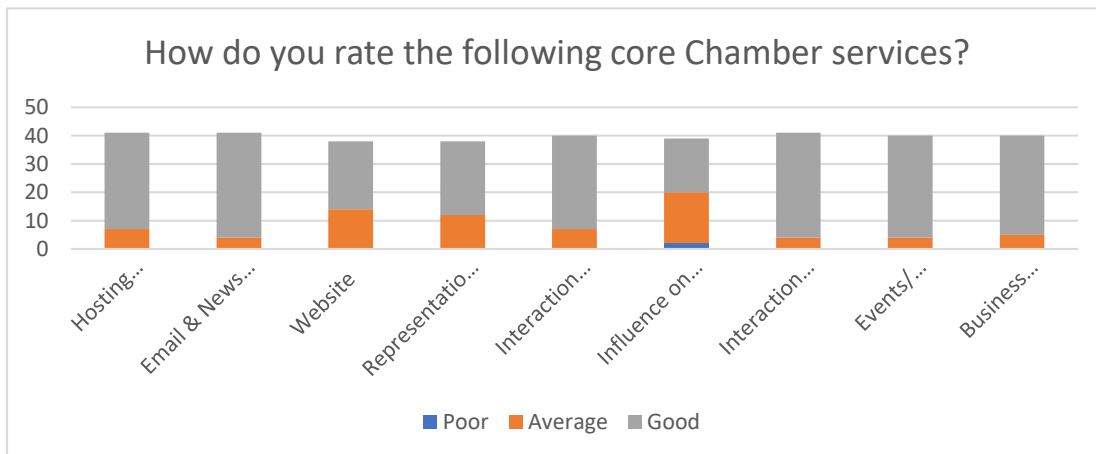


This year the Chamber scored a weighted average of 4.17 (out of 5) for its effectiveness from its members, up from 3.64 in 2020, the last time the Chamber was included in the survey. No Chamber members rated its effectiveness as either Very Poor or Poor, and 83% felt that the Chamber’s effectiveness was either Good or Very Good.

If we include non-member responses for comparison, the Chamber of Commerce continued to score highly for effectiveness, with a weighted average of 4.06, and 76% of respondents rating it as Good or Very Good.

Question 45: How do you rate the following core Chamber services?

The Falkland Islands Chamber of Commerce provides the core list of services to be included in the survey. For analysing the results, all non-Chamber member responses have been filtered out, with 41 members answering this question.



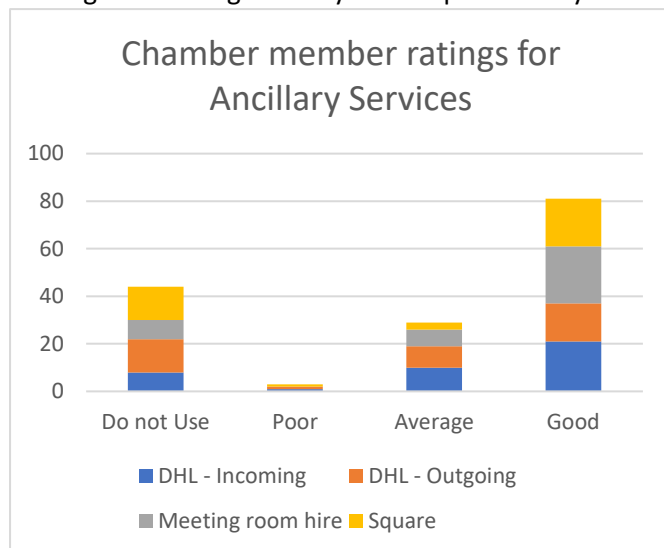
The highest scoring core services provided by the Chamber of Commerce are as follows: Email & News Updates, Interaction with Members, and Events/ Meetings, all scoring a weighted average of 2.90 (out of 3), with 90% of Chamber members rating these services as Good.

The lowest scoring core service provided by the Chamber of Commerce as rated by its members is Influence on FIG policies with a weighted average of 2.44 with 49% of its members rating this as Good. This was the only service that received any Poor ratings from its membership with 2 members selecting Poor.

Question 46: How do you rate the following ancillary Chamber services?

There were 40 Chamber members who responded to this question. As non-Chamber members also use these ancillary services, both member and non-member responses have been analysed for comparison.

The highest scoring ancillary service provided by the Chamber for both members and non-members



was Meeting Room Hire, with a weighted average score of 3.21 (out of 4), and 3.50, respectively. This was followed by DHL-Incoming with members scoring it 3.10, and non-members rating it at 2.88.

The lowest scoring ancillary service for Chamber members was DHL- outgoing with a weighted average rating of 2.68 (out of 4). The lowest scoring ancillary service for non-Chamber members was Square, with a score of 2.48.

Question 47: Are there any additional services you feel the Chamber should provide, or ways it could improve its existing services?

There were 6 responses to this question, and they can be found in full in the Appendix on page 94. All the responses were from Chamber of Commerce members.

Question 48: How important are the Chamber's current priorities to your business?

For this question we looked at the responses from the whole business community who participated in the survey in regard to how much the Chamber priorities were important to their own businesses. There were 41 responses out of the 49 businesses who are members of the Chamber of Commerce. Participants were given a choice of responses: Does Not Affect My Business, Not Very Important, Quite Important, and Very Important. These responses provided a weighted average out of 4 and have been ranked in order of priority in the accompanying table.

In Joint first place were Telecoms and Reducing FIG Bureaucracy, both scoring a weighted average of 3.48 (out of 4), and 59% of those who responded to this question rated Telecoms as Very Important and

Rank	Chamber of Commerce Priority	Weighted Average
=1	Telecoms	3.48
=1	Reducing FIG Bureaucracy	3.48
3	Access to Finance & Banking Services	3.38
4	Employment & Labour Laws	3.23
5	Environmental Policies	3.19
6	Taxation Policy	3.15
7	Education & Training (inc. Apprenticeships & College outputs)	3.06
=8	Workforce Development & Immigration Processes	2.98
=8	Capital Program (inc. Housing and Port)	2.98
=10	FIG Procurement Policy	2.85
=10	FIG Privatisation Policies	2.85
12	Housing Policies and Landlord / Tenant Laws	2.4
13	Hillside Future use	2.08

Of respondents, 60% rated Reducing FIG Bureaucracy as Very Important to their own businesses. The lowest scoring Chamber of Commerce priority was Hillside Future use, with a weighted average of 2.08, and 15% of respondents rating it as Very Important to their business.

Question 49: How important do you think the Chamber's current priorities are to the Falkland Islands business community as a whole?

For this question, we looked at all respondents to this question in the survey. There were 46 responses to this question - with 38 of the respondents being members of the Chamber of Commerce - and were asked to consider how important these were to the business community as a whole, and not just to their own business. These responses have a weighted average score and have been ranked in the accompanying table.

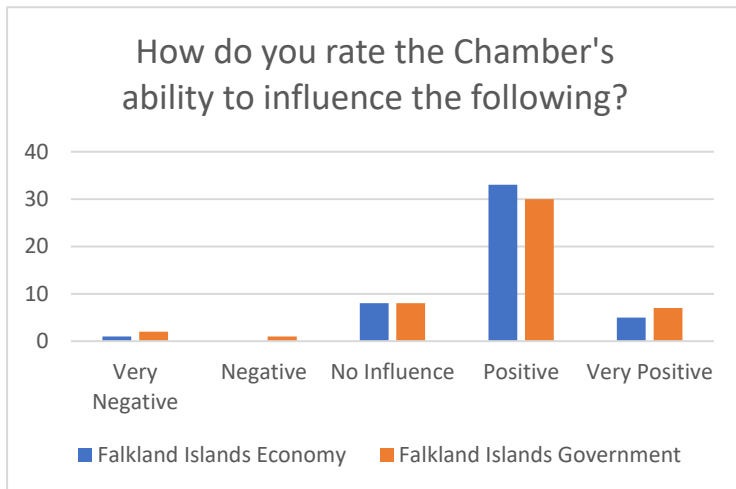
Rank	Chamber of Commerce Priority	Weighted Average	
1	Telecoms	3.82	The highest ranked Chamber priority in terms of importance to the business community of the Falkland Islands as a whole was Telecoms, with a weighted average of 3.82 (out of 4), followed by Air Links with a score of 3.7. Of respondents, 87% rated Telecoms as Very Important to the business community.
2	Air Links	3.7	
3	Capital Programme (inc. Housing & Port)	3.68	
=4	Workforce Development & Immigration Processes	3.61	
=4	Reducing FIG Bureaucracy	3.61	
=4	Access to Finance & Banking Services	3.61	
7	Employment & Labour Laws	3.55	
8	Taxation Policy	3.52	
=9	Environmental Policies	3.48	
=9	Education & Training (inc. Apprenticeships & College outputs)	3.48	
11	FIG Procurement Policy	3.27	
12	FIG Privatisation Policies	3.18	
13	Housing Policies & Landlord / Tenant Laws	3.11	
14	Hillside Future use	2.91	

The lowest ranking Chamber priority in terms of importance to the business community was Hillside Future use, with a score of 2.91 (out of 4). Of respondents, 35% felt that this was Very Important to the business community of the Falklands.

Question 50: How do you rate the Chamber's ability to influence the following?

For this analysis, all responses to this question have been included in the analysis, with 48 businesses responding this question.

The last time this question was asked in the Business Climate Survey was in 2020. There was an increase in the number of businesses who rated the Chamber of Commerce’s influence over the Falkland Islands Economy (FIE), up from a combined result for Positive and Very Positive of 59% in 2020 to 81% in 2023. Of respondents, 17% felt that the Chamber of Commerce had No Influence of the FIE, down from 32% in 2020. Only 1 respondent (2%) selected Very Negative influence over the economy, and no respondents selected Negative. Overall, the Chamber’s weighted average score rose to 3.87 (out of 5) in this edition of the survey, up from 3.49 in 2020.

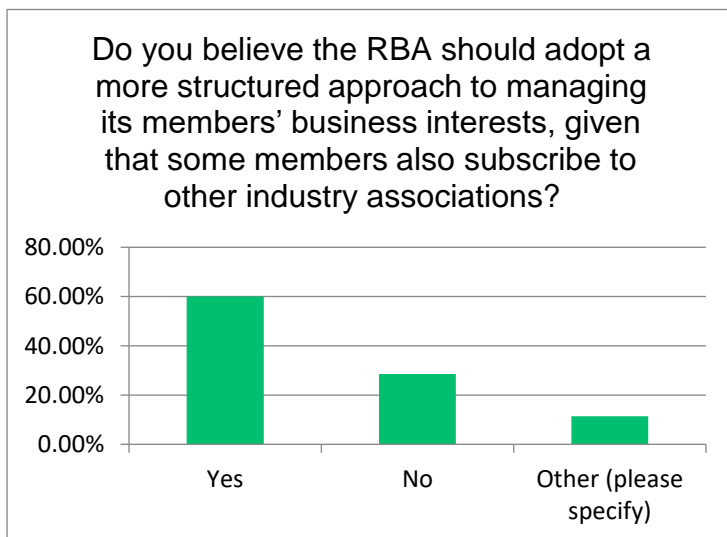


In regard to the Chamber’s influence over the Falkland Islands Government, there was also a significant increase in the percentage of respondents who selected Positive and Very Positive, up to 77% in 2023, and up from 56% in 2020. There were 2 respondents that selected a Very Negative influence (4%), and 1 selected Negative (2%). The average weighted score for the Chamber’s ability to influence FIG was 3.81 (out of 5), up from 3.47 in 2020.

Question 51: If you wish to provide further comment regarding the performance of the Chamber please do so in the box below.

There were 7 responses to this question, and they can be found in full in the Appendix on page 96. Of the responses, 5 were from Chamber of Commerce members.

Question 52: The RBA membership consists of a very broad church, made up of landowners, sheep farmers, through to NGOs, individuals, and contractors who ply a seasonal business across Camp. Do you believe the RBA should adopt a more structured approach to managing its members’ business interests, given that some members also subscribe to other industry associations?

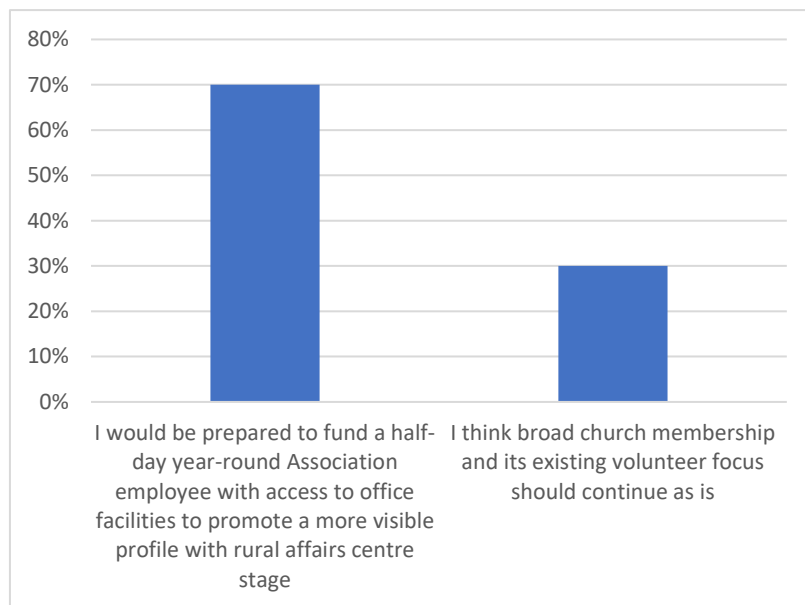


There were 35 responses to this question regarding the approach of the RBA, with 10 of the 35 responses coming from RBA members. Of respondents to the question, 60% agreed that a more structured approach be taken by the RBA. If we look at the 10 RBA members who responded to this question, the results were the same, with 60% agreeing a more structured approach to managing its members’ interests was needed.

Of those who responded to this question, and looking in particular at businesses based in Camp, there were 8 respondents who felt a more structured approach should be taken. Of these, 5 are members of the RBA, with 1 indicating no membership of any business association.

There were 4 respondents in total who selected Other, and their responses can be found in full in the Appendix on page 96.

Question 53: Regarding the Association, please choose one option.

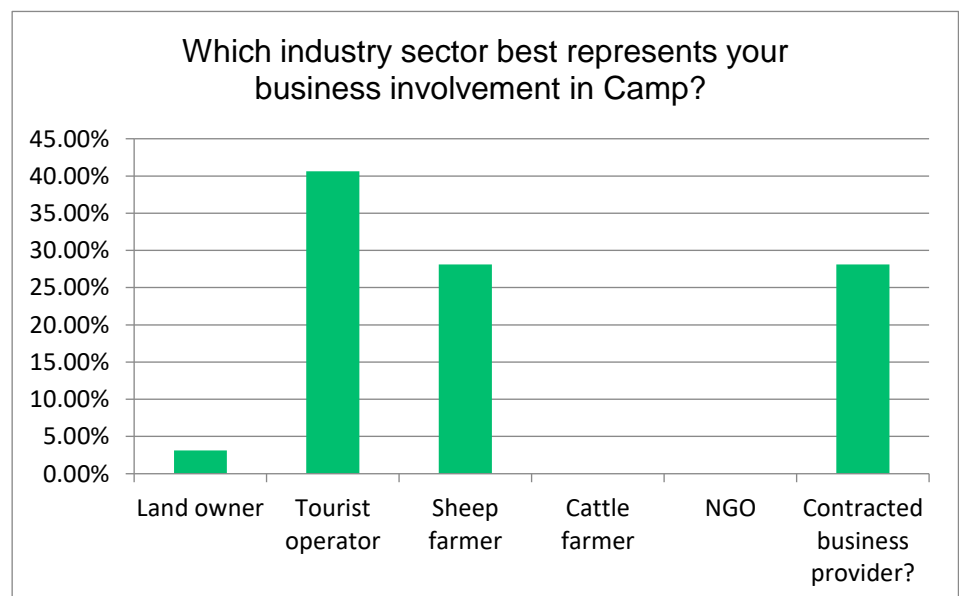


For the analysis of this question, non-RBA members have been filtered out. There were 10 RBA members who responded to this question out of the 20 RBA members who participated in the survey. There were 7 members (70%) that stated they would be willing to fund an employee for the RBA, with 3 stating they felt that the volunteer service provided was adequate.

Question 54: Which industry sector best represents your business involvement in Camp?

There were 32 responses to this question, of which 11 were members of the RBA. The highest responses came from those who noted their business involvement to be in the Tourism sector, with 13 selections, and 10 of these businesses indicated that Tourism was their primary sector, with 62% of these businesses based in Stanley. There were 4 businesses that indicated their involvement with Camp was as a Tourist Operator, and are members of the RBA, with 3 of these based on the Islands, and 1 based in Stanley.

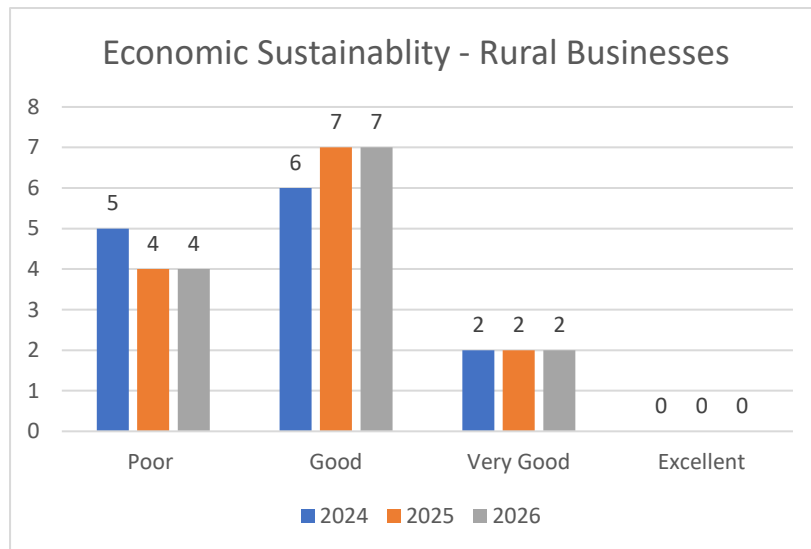
The second highest response came from those who identified their Camp involvement as Sheep Farmers, and Contracted Businesses providers, with 9 selections each. Of the businesses who identified their involvement as Sheep Farmers, 5 are members of the RBA, and 1 of the 9 Contracted Business Providers is an RBA member.



Additionally, 1 business stated their Camp involvement was as a Land-owner, and this business is a member of the RBA. No businesses selected Cattle farmer or NGO as their primary involvement with Camp.

Question 55: How do you forecast the economic sustainability of your business across the next 3 years?

For this question, the analysis first focuses on businesses that identify as being based in Camp (East Falkland, West Falkland, and the Islands). There were 13 responses from businesses based in Camp. No businesses felt that their economic sustainability for 2024, 2025 or 2026 would be Excellent.



Looking in more detail in 2024, 38% of businesses predicted the economic sustainability of their business to be Poor, and 15% thought it would be Very Good. The weighted average score for 2024 was 1.77 (out of 4). These 5 businesses who selected Poor for 2024 are mainly based on West Falkland (80%). When looking at their predicted businesses performance, 2 of the 5 businesses forecast a loss for 2023.

The weighted average for 2025 and 2026 improves slightly, up to 1.85 from 1.77 in 2024. There were 4 businesses that selected Poor over both of these years, and 4 out of the 5 businesses selected Poor for 2024.

Question 56: Earlier iterations of the Falkland Islands Government Islands Plan set down aspirational percentage increases in Camp population and in economic business growth. It is the RBA's view that the current Islands Plan remains deficient in specific objectives, and broad promises are offered:(a) We will support the rural economy and explore options for growth.(b) We will increase our knowledge and awareness of the best and most viable ways to ensure we have an environmentally sustainable future, and(c) We will work together to prevent existing problems from getting worse, such as climate change and social inequity. Do you believe those policy objectives to be realistic?

The next questions in the survey focus on the Islands Plan 2022-2025, and were developed by the RBA.

This is a simple Yes or No Question, with an “Other please specify” option included. Overall, there were 35 businesses who answered this question, 10 of these being RBA members. Of respondents, 54% did not believe the policy objectives to be realistic, with 40% indicating support of the policy objectives. Of businesses responding to this question, 62% are based in Camp, and did not think the objectives to be realistic, with 50% of the RBA members that responded also indicating that they were not achievable.

There were 2 respondents in total who selected Other, and their responses can be found in full in the Appendix on page 98.

Question 57: If yes to previous question what support and incentive do you believe the Government needs to promote to deliver such?

There were 7 responses to this question, and they can be found in full in the Appendix on page 99. There were 3 responses from RBA members, and all were located in Camp.

Question 58: Has the Rural Development Strategy (RDS) run its course?

The Rural Development Strategy was first published in 2011 by the then Policy Unit of FIG, and updated in 2018 by FIDC. The vision was *“To build an attractive and sustainable rural economy, which is driven by a world-class dynamic and resilient farming industry, and underpinned by relevant enterprise activities, to reflect the island’s culture, identity and environment.”*

It contained four strategic objectives:

- 1. Strategic Objective 1: To increase the value of farming activity in Camp by 20% by 2023 (measured in terms of Gross Value Added (GVA) generated in Camp);*
- 2. Strategic Objective 2: To further increase the economically active population of Camp by 5% by 2023;*
- 3. Strategic Objective 3: To increase investment in key enabling infrastructure and services to drive growth in the rural economy; and*
- 4. Strategic Objective 4: To manage and protect the natural environment.*

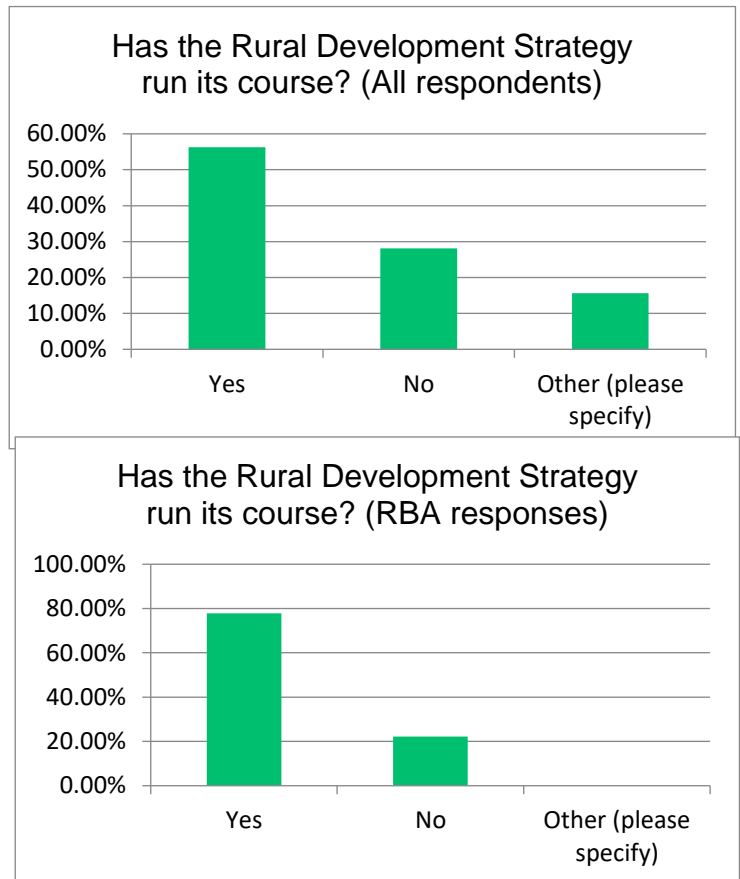
The RDS had an attached Action Plan for implementation running from 2018-2021 that focussed on four key priority areas:

- 1. Business Growth and Development: developing a more profitable and resilient business base in Camp, in priority in the farming sector;*
- 2. Workforce Development: sustainably growing the Camp labour force and steering younger people towards relevant business opportunities and careers in Camp;*
- 3. Infrastructure: providing the key enabling infrastructure to drive growth in the rural economy; and*
- 4. Environment: Managing and protecting the natural environment of Camp.*

Rural focussed grant funding schemes were administered by FIDC, in particular schemes focussed on improving Camp water systems, providing renewable energy, and business development. Wider policy issues such as education, connectivity and housing and waste management were the remit of Falkland Islands Government, with oversight from the Rural Development Strategy Steering Group.

This question comes at the end of the current Rural Development Strategy timeframe, and asks respondents to state whether they felt that the RDS had concluded, or if there was need to reinvigorate it. There were 32 responses to this question, 12 of the businesses who responded were based in Camp (East Falkland, West Falkland, and the Islands) and there were 10 responses from members of the RBA.

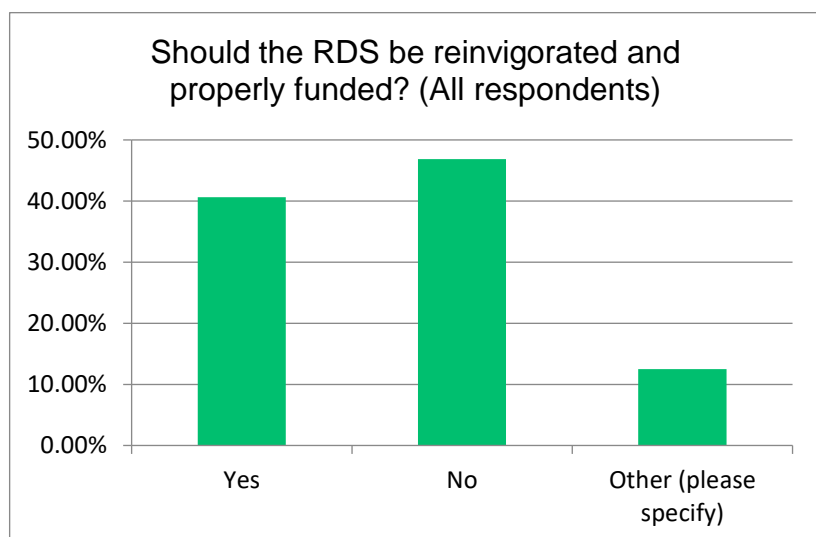
Overall, 18 of the 32 respondents (56%) stated that they believed the RDS had run its course, with a further 5 selecting Other. Of those 5, 4 stated that they were unsure or did not know. When breaking responses down by location, 68% of respondents based in Camp stated it had run its course, with 2 stating they were not sure. The percentage of RBA members stating it had run its course was higher, with 78% of the RBA members who responded to this survey selecting Yes.



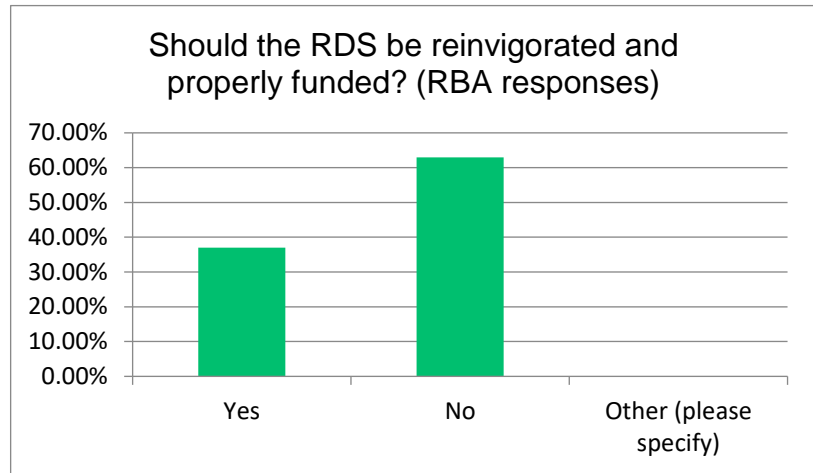
Full responses to the question including the Other option can be found in the Appendix on page 99.

Question 59: Should the RDS be reinvigorated and properly funded?

For the analysis of this question, we first looked at overall responses, followed by looking at businesses based in Camp, and then the RBA membership. There were 32 respondents to this question in the survey, with 11 respondents based in Camp, and 8 RBA member responses.



Of the overall respondents to the survey, 47% selected No, indicating that they did not feel it should be reinvigorated. A further 13% selected Other, with 2 stating they were not sure, 1 stating they had no view on the matter, and 1 stating that if it was reinvigorated it should possibly be under the remit of the RBA. Of the overall respondents to the survey, 40% selected Yes, the RDS should be reinvigorated and funded properly.



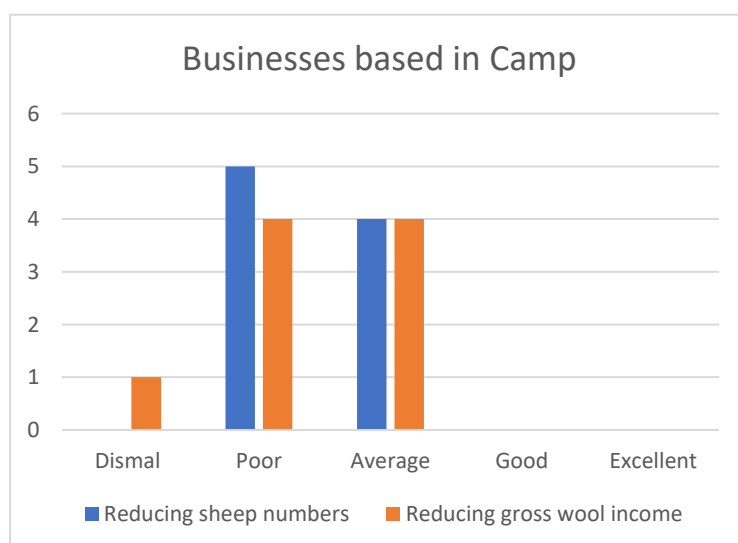
Of the respondents whose businesses are based in Camp, 73% stated that they did not think the RDS should be reinvigorated, with 1 business (9%) stating that they were unsure. When looking

specifically at RBA members responding to the survey this percentage decreased to 63%, with respondents stating that the RDS did not need to be reinvigorated.

Full responses to the question, including the Other option, can be found in the Appendix on page 100.

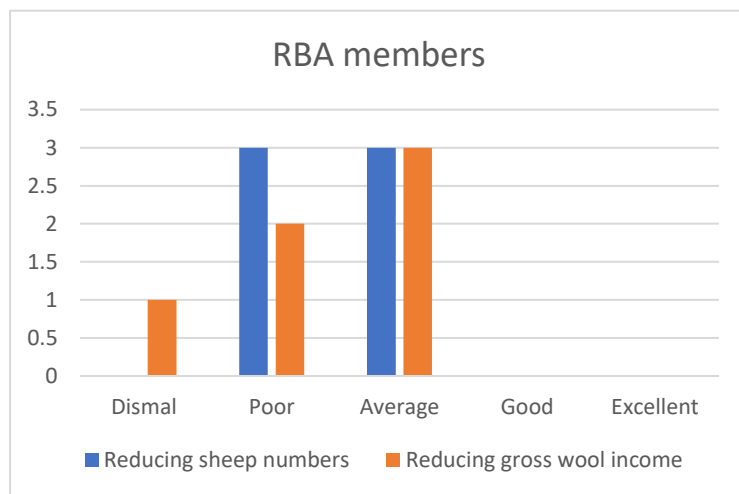
Question 60: Given the Falkland Islands Government tri-directorate "Stock Take" report during the 2022 Farmers week, how do you rate the RBA's ability to influence the following?

This question asked respondents to evaluate the RBA's ability to influence two issues; Reducing Sheep Numbers, and Reducing Gross Wool Income. There were 23 responses to this question from all who participated in the survey. However, for the analysis of this question, we have looked specifically at those who have businesses based in Camp, and those who are members of the RBA.



There were 9 responses from businesses based in Camp, with no businesses selecting Good or Excellent for either issue. Of respondents, 56% rated the RBA's influence over Reducing Sheep numbers as Poor, with 44% stating it was Average. There were 6 responses from RBA members, with no businesses selecting Good or Excellent, and 50% each stating it was either Poor or Average.

For the issue Reducing Gross Wool Income, no businesses based in Camp or RBA members selected Good or Excellent. Of those who identified that their businesses were based in Camp, 1 business



(12%) rated the RBA's influence as Poor, with 4 selections each (44%) for Poor and Average. For RBA members rating its influence over the issue, there were 6 responses, with 1 (17%) rating it as Dismal, and 2 (33%), and 3 (50%) rating it as Poor and Average, respectively.

Question 61: Assuming you are both a landowner and a sheep farmer, how do you think you will manage your business with reducing revenues and declining natural grasslands, to maintain your existing business?

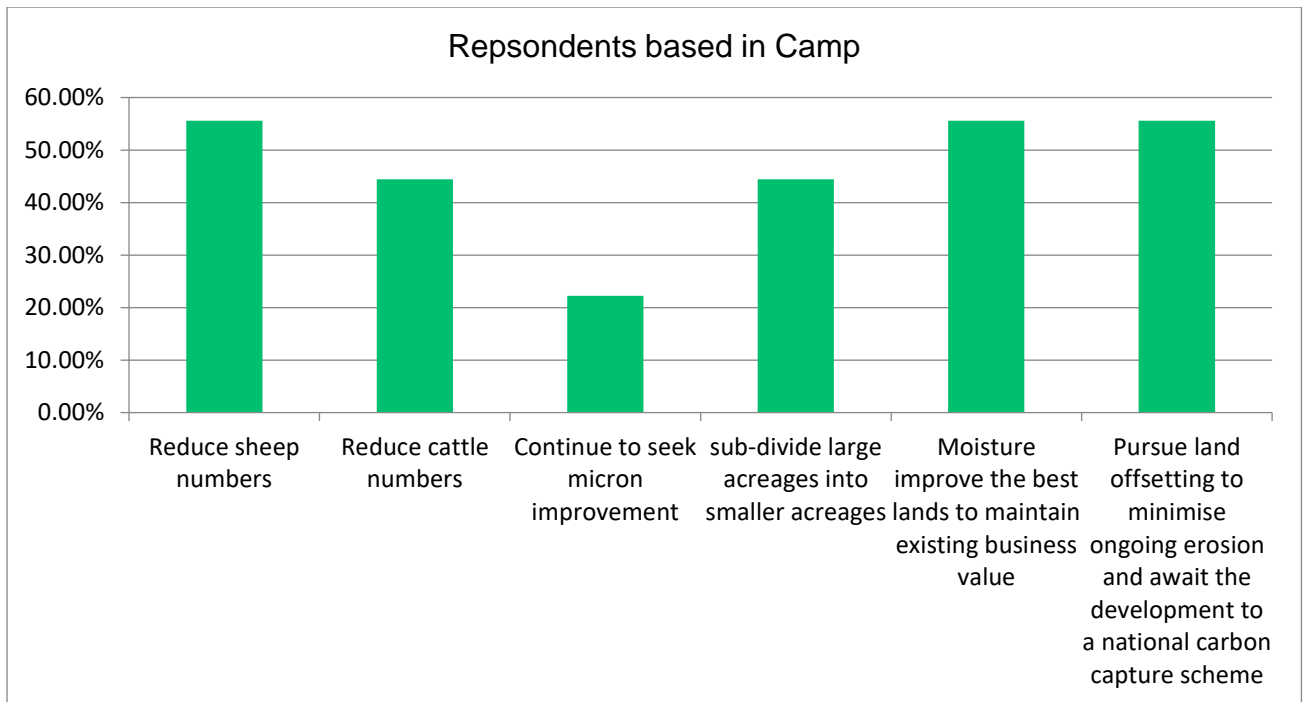
There were 11 responses in total to this question, with 7 of these being from businesses primarily based in Camp. The responses can be read in full in the Appendix on page 100.

Question 62: Although climate change across the Falklands may not yet be scientifically proven, we are all observing the embedded climate changes, land drying out and historic water tables in decline. Lifelong learning and skills training are key to understanding rural business, but equally climate change, now embedded across the landscape, is impacting the sustainability of sheep numbers and water shortages are impacting nutritious vegetation growth. Which option below best serves your business plan to meet the environmental challenges now apparent?

The next set of questions developed by the RBA dealt with climate change. The first of these climate change dedicated questions ask respondents to consider options to include in their business plan to meet or mitigate climate change challenges facing the Islands. A total of 16 businesses responded to this section of the survey, with 9 being based in Camp. For this question, we have looked at Camp respondents only. Respondents were able to choose more than one option that they might consider implementing or including in their business plan.

The lowest scoring option was Continue to Seek Micron Improvement, with 2 selections (22%). Much work has already been done in the Islands via genetic improvements, grazing management, and other practices to improve the micron, and quality of Falkland Islands wool.

Reduce Sheep Numbers, Moisture Improve the Best Lands to Maintain Existing Business Value, and Pursue Land Offsetting To Minimise Ongoing Erosion And Await The Development To A National Carbon Capture Scheme, scored the highest, with 5 selections each (56%).

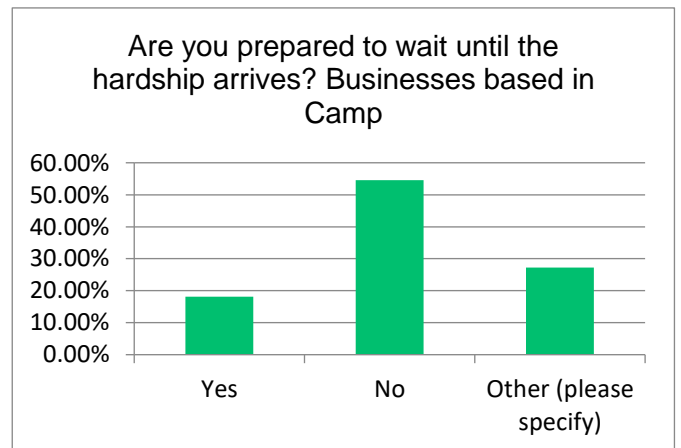


Question 63: If sheep numbers continue to reduce, and if wool prices plateau, how will your business financially survive?

There were 13 responses to this question, with 9 coming from businesses based in Camp. The responses can be read in full in the Appendix on page 101.

Question 64: Are you prepared to wait until the hardship arrives?

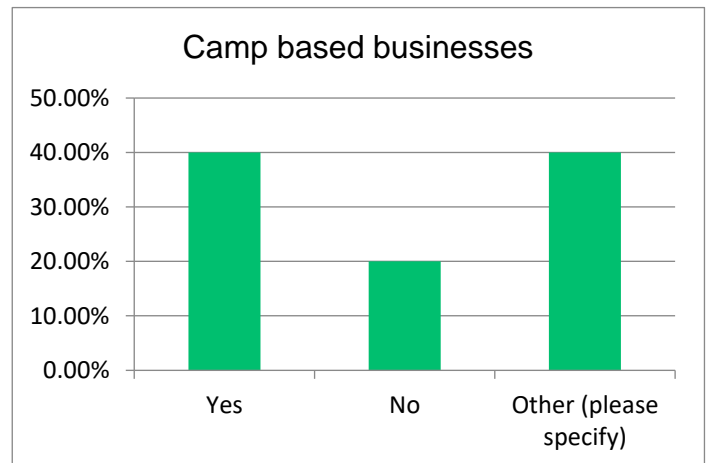
For this question, there were 11 responses from Camp-based businesses, and 7 from members of the RBA. In both instances, the majority answered No, with 55% of the Camp-based businesses selecting this option, and 57% of RBA businesses. Of the 6 Camp-based businesses who answered No, 2 were younger businesses established since 2016, with 1 founded in the last 12 months, and 4 businesses based on West Falkland, and 2 based on East Falkland. Of these businesses, 4 are members of the RBA.



The full responses to the Other option can be found in the Appendix on page 102.

Question 65: Are you preparing or would you consider possible future benefits of offsetting least productive peatland to benefit from a carbon sequestration scheme?

There was a total of 18 responses to this question, with 10 from businesses based primarily in Camp. Looking at overall responses, 61% stated that they were either preparing for or considering carbon sequestration, reducing to 40% when looking at business based primarily in Camp. Businesses based in Camp that were considering such a scheme are older businesses, with 3 of the 4 founded pre-1988, and 1 founded in the period 1996-2000. Of these businesses, 3 are members of the RBA.

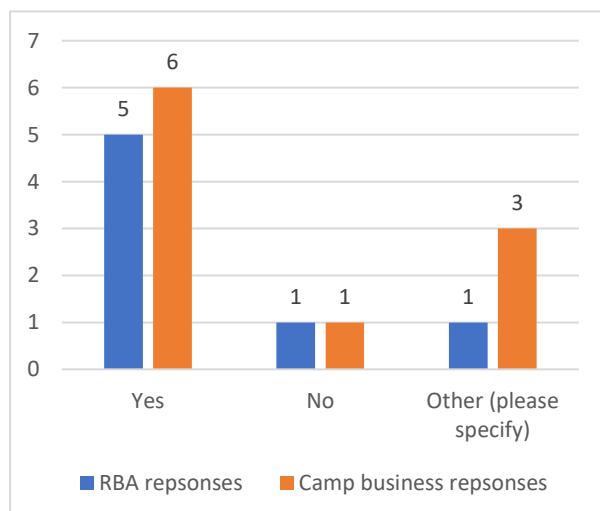


There were 4 responses to Other, all from Camp-based businesses, and these can be read in full in the Appendix on page 102.

Question 66: If yes to previous Question what percentage of your land could you set aside?

There were 6 answers to this question, and they can be found in full in the Appendix on page 102. There were 3 from businesses primarily based in Camp. There were 3 that stated between 5 - 15%, with 1 indicating up to 70% of their land could be used for such a scheme.

Question 67: Land erosion and consequences of land drying out is increasingly and alarmingly evident. If tools existed for you to financially benefit from a carbon capture scheme by offsetting peatland, would you consider that a long-term sustainable benefit?



There were 10 responses to this question from businesses primarily based in Camp. Of the businesses based in Camp who answered this question, 60% stated that they would consider benefiting from a carbon capture scheme financially as a long-term sustainable benefit. There were 5 of 6 businesses who indicated that they would benefit are members of the RBA, and 5 of these indicated that their primary industry was Agriculture, with 1 other business indicating Tourism as its primary sector.

A total of 7 RBA members answered this question, with only 1 selecting No and another selecting other.

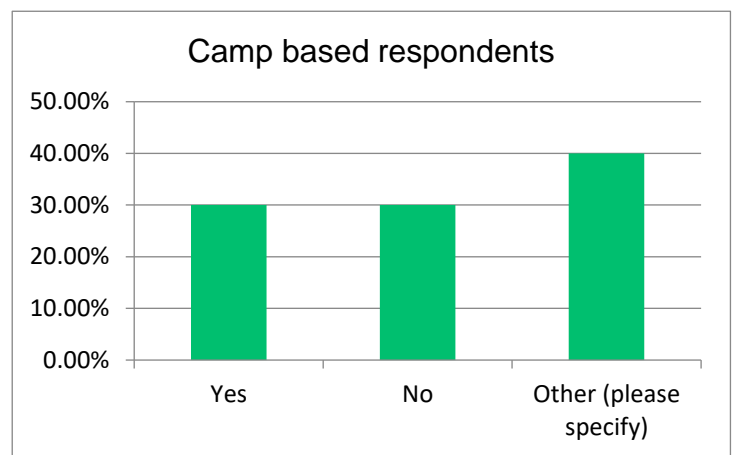
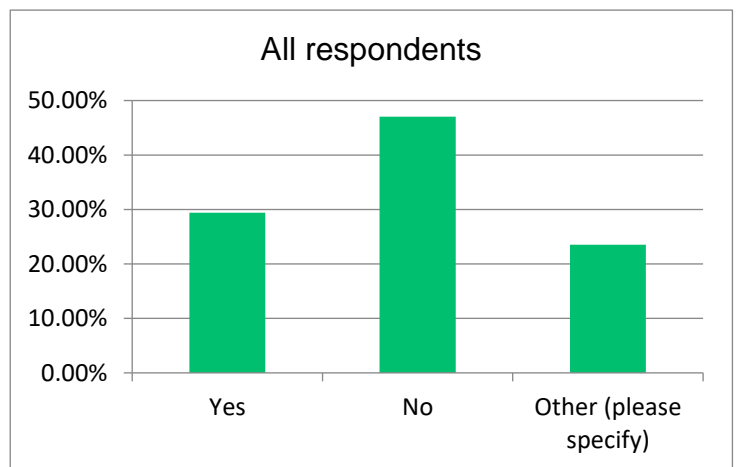
selecting other.

Full responses to this question can be found in the Appendix on page 103.

Question 68: Do you think your desire to own land for sheep farming will remain a sustainable and financially viable business?

In total, there were 17 responses to this question, including businesses that are not based in Camp, and non-RBA members. When looking at the overall results from all respondents to the survey, 47% stated that they did not believe sheep farming to be able to remain sustainable and financially viable, and 29% stating Yes, it could continue to be sustainable and financially viable, with a further 4 selecting the Other option, and providing comment.

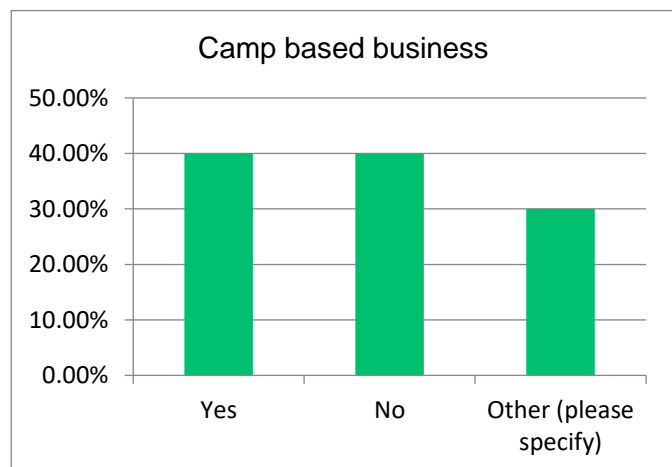
If we look at businesses based in Camp, there were 10 respondents to this question, with 30% stating Yes, it could remain viable/sustainable, and 30% stating No. There were 4 Other responses. There were 2 out of 3 businesses in Camp who felt it could remain sustainable, and viable were older businesses founded pre-1988, with the 1 other business founded in the period 2011-2015. Of these 3 businesses, 1 was a member of the RBA.



Question 69: Do you think a mix of both options (Carbon capture scheme and land for sheep ranching) will deliver financial sustainability for your rural business?

For the purpose of this question, we looked at businesses based in Camp who responded. There were 10 rural-based businesses who responded. Of these 10, 40% stated that they thought a mix of both options would deliver better financial sustainability for their businesses, and 30% answered No. All of the businesses that selected Yes are from the Agriculture and Animal related Services industry.

There were 3 Camp businesses (30%) that selected Other, and the results of this can be seen in full in the Appendix on page 104.

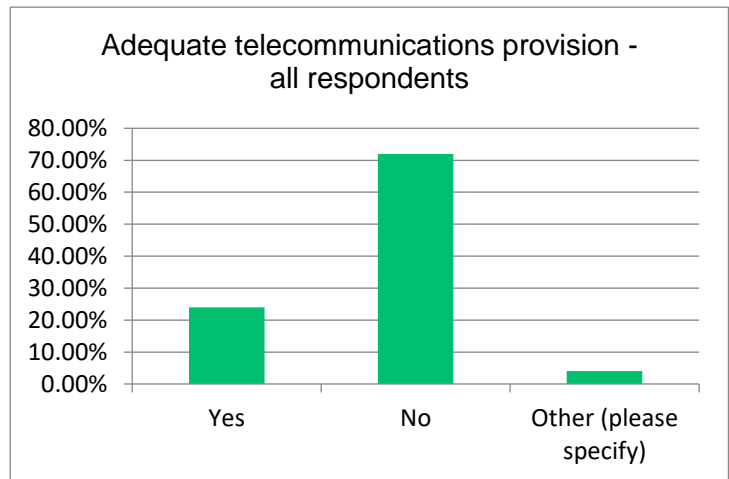


Question 70: Are you aware of anything else that has not been highlighted and mentioned in the critical areas of the apparent and increasing climate change?

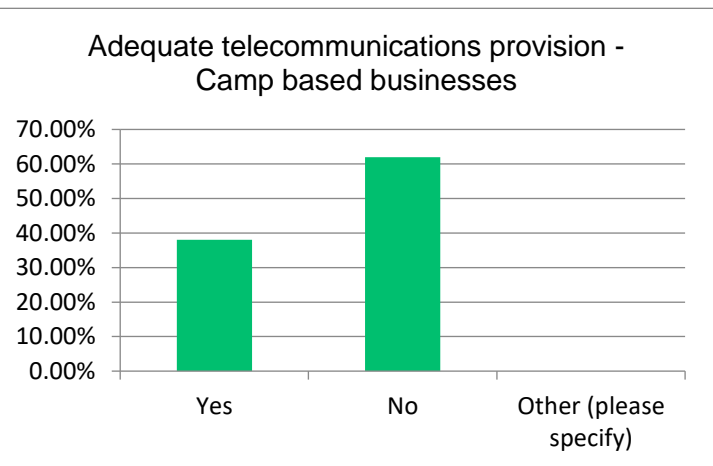
There were 5 responses to this question. All responses can be found in full in the Appendix on page 104.

Question 71: Resilient and reliable telecommunications are key to sustaining personal health and safety of all who live in Camp and increasingly seen as a tool to undertake business and science focus. Do you believe the current service provision is adequate to meet your business development and personal safety needs?

The next three questions developed by the RBA for the survey focus on Telecommunications. For the analysis of this question, we have looked at all respondents, and then filtered the responses to look specifically at those businesses primarily operating in Camp. There were 25 responses to this question, with 13 of these being businesses who indicated that they were based outside of Stanley in Camp (East Falkland, West Falkland, and Islands).



The majority (72%) of those who answered this question from all areas of the business community felt that the current telecommunications provision was not adequate to meet their business development or safety needs. When looking at the respondents from all locations across the Islands that answered No to this question, and what the same respondents identified as the main barriers to business growth, Telecommunications – Bandwidth (Speed and Quality) placed 3rd with Telecommunications – Cost placing 5th.



When looking at the rural respondents to this question, of the 13 responses, 8 (62%) stated that the provision was not adequate for their needs. When comparing this to the barriers to business growth as identified in question 21, these same businesses ranked Telecommunications – Bandwidth (Speed and Quality) and Telecommunications – Cost in joint 4th position, with Telecommunications - Package Size in joint 7th.

From the total responses, 1 answered Other, and the full responses can be found in the Appendix on page 104.

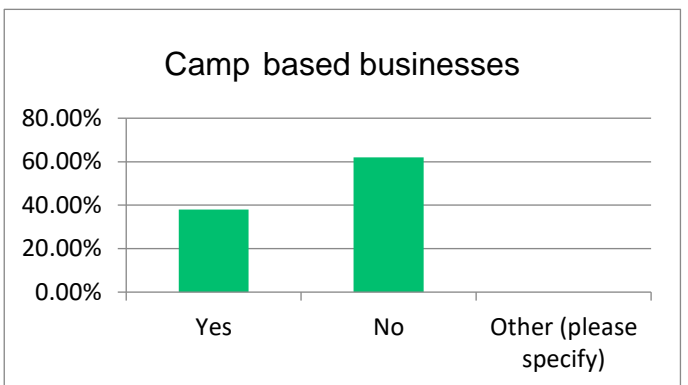
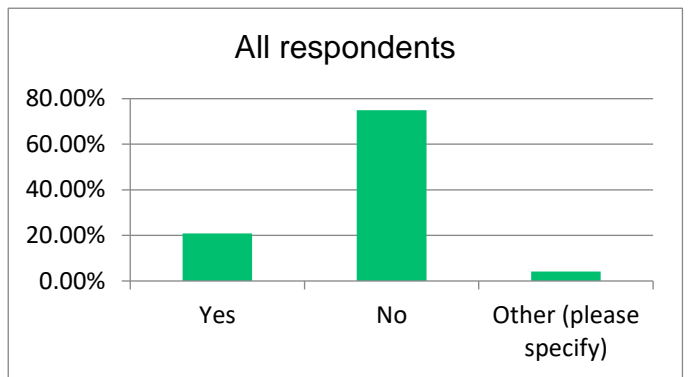
Question 72: Do you feel the existing and promised communication provision is sufficiently robust for your personal and business needs?

Following on from question 71, this question focusses on telecommunications provision meeting both personal and business needs. There were 24 responses from across the business community, with 13 from rural business based in Camp.

When looking at responses from the business community as a whole to this question, 75% stated that the current provision was not robust enough for their personal and business needs. Again, in terms of barriers to business growth Telecommunications – Bandwidth (Speed and Quality) placed 3rd with Telecommunications – Cost placing 5th when looking at the same respondents.

Of the 13 Camp based businesses that answered this question, 62% stated that the provision did not meet their personal or business needs.

These same businesses ranked Telecommunications – Bandwidth (Speed and Quality) and Telecommunications – Cost in joint 4th position with Telecommunications - Package Size in joint 7th when identifying barriers to business growth.



Question 73: If No to previous Question, what improvement in services do you seek?

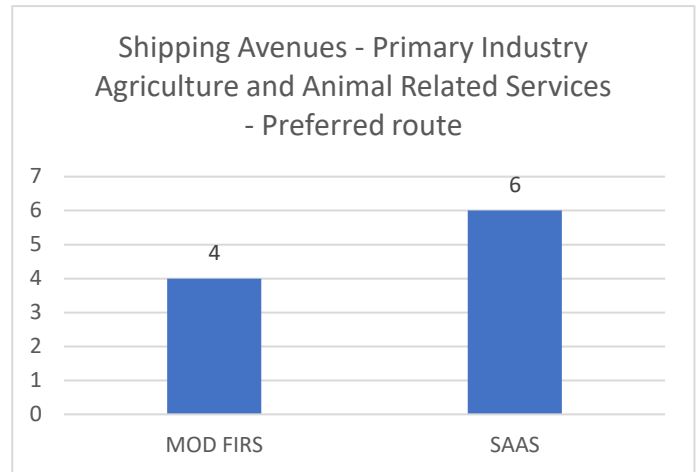
There was a total of 12 responses to this question across all areas of the business community, with 6 from Camp. Of the 6 responses from Camp-based businesses, 3 were concerned with mobile coverage, and 2 with reliability.

All of the responses can be found in the Appendix on page 105.

Question 74: Wool producers currently have two export shipping avenues: the MOD FIRS service and the SAAS service. Which service do you prefer to utilize?

The last two questions in the survey focus on shipping avenues for Falkland Islands exports – predominantly focussed on the wool industry. For the analysis of this question, only businesses who identified their primary industry as Agriculture or Animal related Services were included in the main results, with some further information provided for those who identified it as a secondary industry. There were 10 businesses from the Agriculture or Animal Related Services primary sector who

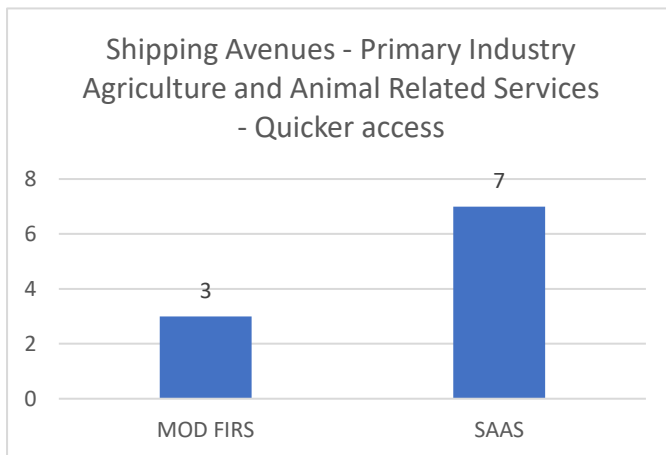
answered this question, of which 6 of these businesses stated that they preferred using South American Atlantic Service Limited (SAAS), and 4 preferring using the Ministry of Defence MoD FIRS vessel. When looking in more detail at these responses, we can see that they ranked Freight Costs by Sea (Export) as joint 1st barrier to growth, and for those who selected the SAAS service as their preferred route, it was in joint 2nd. Those who used MoD as their preferred option ranked Freight Costs by Sea (Export) in 1st position as a barrier to business growth.



When looking at the businesses who answered this question who identified Agriculture or Animal Related Services as a secondary industry, there were a further 7 responses, with 5 preferring the SAAS route, and 2 opting for the MoD route. For these 7 businesses, Freight Costs by Sea (Export) was a joint 3rd barrier to growth.

Question 75: Which service do you think provides better and quicker access to buyers, and ultimately cash in your bank account?

As in the previous question analysis, the focus for this question has been placed on those identifying Agriculture or Animal Related Services as their primary sector, and there were 10 responses. Of respondents, 70% stated that they believed the SAAS route to provide quicker access to buyers and revenue, with 30% preferring the MoD route. There was 1 respondent that felt the SAAS route provided faster access to revenue currently utilised the MoD service.



Once again, 7 businesses who identified Agriculture or Animal Related Services as their secondary industry answered this question, with 5 respondents (71%) stating that they felt the SAAS route provided quicker access to income, and 2 (29%) selecting MoD. All of the secondary Agriculture or Animal Related Services sector businesses who identified MoD as their preferred route also felt that this provided quicker access to their buyers and revenue.

Conclusions

FIDC

In 2022, the Falkland Islands saw the reinstatement of connectivity to the Islands via the LATAM Airlines Santiago route, along with the reestablishment of the cruise season. This was tremendous news in seeing tourism return to the Falkland Islands, and that some amount of normalcy had returned to the world in the wake of the COVID-19 pandemic.

At the same time, 2022 was also the year the Falkland Islands saw a significant increase in the cost of fuel and electricity, as well as a cost-of-living crisis throughout the United Kingdom, increased costs in materials and shipping, and an increase in the Bank of England (BoE) base rate.

The latter events of 2022 clearly had a more meaningful impact for businesses, which was reflected in a more modest assessment of the attitudes relating to the performance of the Falkland Islands economy, which saw the overwhelming majority of businesses rate it as either “average” or “good.”

How businesses perform, and how businesses view the economy’s overall performance, are key components when reviewing the 2023 Business Climate Survey. The health of the economy and how businesses perceive that health form a foundation by which economic growth happens.

That being said, 76 percent (%) of businesses predicted making a profit in 2023, with 25 percent (%) predicting a £1,000,000+ turnover for the year. Looking at the results of the 2023 Business Climate Survey, businesses that reported profits in 2021 and 2022 were also businesses that predicted profit in 2023, and were also many of the same businesses holding cash retained at higher bandwidths.

How does one balance these kinds of positive business earnings with modest economic assessments? One need only look at the barriers preventing business growth in the Falkland Islands.

Inputs to business growth such as labour, costs of fuel, distance to markets, public infrastructure, all play a vital role in how a business delivers its outputs efficiently and effectively. And all of the aforementioned examples appear in the 2023 Business Climate Survey as top-10 barriers to growth in the Falkland Islands.

It is incumbent for both of these concepts – business attitudes related to the health of the economy, and barriers to business growth – to meet together in order for economic growth to thrive.

For its part, more than 50 percent (%) of respondents in the 2023 Business Climate Survey indicated they received either a grant or loan from FIDC. If one thinks of the barriers to business growth as the virus impacting the overall health of the Falkland Islands economy, the financing options available from FIDC to the business community are a key medicine in helping to combat against it.

And if the comments in the appendices of the 2023 Business Climate Survey related to FIDC are genuine, the barriers to business growth should be at the top of FIDC’s medical chart.

FIDC appreciates the uptake in responses, as well as the assistance of the Chamber of Commerce, Rural Business Association, and Falkland Islands Tourism Association in keeping the Business Climate Survey relevant and focussed.

Falkland Islands Tourism Association

FITA were pleased to see the answers submitted in response to the 2023 BCS showing an increased level of optimism as we move from covid restrictions. There were new tourism related businesses established in the preceding 12 months with profits throughout the sector showing recovery and expected growth for the future.

However, there are threats to maximising that growth as well as opportunities for people to diversify into tourism with the right support.

The reinstatement of the second flight from South America is essential for the further development of land-based tourism which is shown by the rising of this as a barrier to growth from the previous survey. The Airbridge is often fully booked and is subject to significant delays which reduces confidence for visitors. Likewise, LATAM is often heavily booked at peak times of the year. Re-establishing the midweek flight via São Paulo gives access for more people which will allow for growth as well as staggering the start and end days of itineraries and open up new opportunities for short stay holidays.

Likewise, the coastal shipping service and ferry has risen up the list of barriers to growth. It is essential that any future changes to the current service enables more frequent ferry crossings whilst still maintaining the frequency of island visits. There needs to be more ability to unload essential pieces of equipment at island destinations. It is vital there is progression of the ramps and jetties project which has remained paralysed for a number of years.

It is wholeheartedly acknowledged that FIGAS provides an exceptional service to users most of the time. But in 2022/23 there was a period when the service was relying on one aircraft and the same thing happened in the 2023/24 season. This has highlighted how dependent tourism is on the service, and how essential it is that it runs smoothly to not only deal with the level of activity that we see now but to service any growth. Without contingency, this makes land-based tourism very vulnerable.

Lack of skilled workers were also listed as a concern for the sector with businesses often having no choice but to bring workers in from overseas with all the expense and risk that that entails. The introduction of the FIDC International Shared Risk Scheme to assist with failed overseas recruitment is very welcome and should hopefully instil confidence in employers to take that risk with reduced impacts.

In terms of local upskilling, the CDS exists to provide funding to cover training for roles identified on the Workforce Shortage list, some of which are relevant to the tourism sector. More publicity is needed about how to access this source of funds. FITA will also liaise with local training providers to look at options to offer more locally delivered tourism-related short courses.

Tourism was also a major secondary industry for many respondents which highlights the flexibility of tourism as an income source. With projected growth, there are plenty of opportunities for people to get involved. With the economic forecast looking less rosy for Agricultural and Camp-based businesses, now is the time to look at what diversifying into tourism could contribute. That could be in the form of accommodation provision, tour guiding or 'camp life' day trip experiences as well as a multitude of ancillary possibilities. However, for that to be maximised, and for the expansion of existing businesses, it is essential that there are opportunities to access adequate funding for all levels of projects, large and small; training; and business advice to ensure development of the sector.

We acknowledge that FITA must do more work to represent the industry more effectively and feel that the ratings and responses to the questions, whilst very disappointing, were a completely fair and expected reflection of the position at the time, and we thank respondents for the very honest responses and their suggestions. We have done considerable work within the committee recently to begin to improve things with better engagement with our members and other industry stakeholders, and we now have 3 committee members who are directors of FITB. We need to widen our engagement to ensure that more people understand the role of FITA within the sector. We do have a small membership in comparison to other organisations but are actively trying to grow our numbers.

Falkland Islands Chamber of Commerce

The BCS has once again reinforced many of the issues we have previously experienced as being uppermost in the minds of the business community.

In terms of the business community as a whole it is pleasing to see continued steady growth in the numbers of businesses operating across the Islands, and the growth in employment. There are more limited companies operating, as businesses mature and see the benefit to them of a limited company structure. Many new and smaller businesses continue to operate as sole traders, and this is to be welcomed and encouraged in the entrepreneurial new development area.

Businesses collectively, across all sectors, have a positive view of the future, and have generally seen acceptable turnover and profit figures. Balance sheet growth is positive, if un-exceptional, and the majority of businesses report sufficient liquidity.

The barriers to growth experienced by Falklands businesses remain constant, though exacerbated by Government policies. Shortage of labour remains the highest priority, quickly followed by the cost of fuel, cost and lack of capacity in telecoms, and cost of electricity, with the lack of reliable air services a strong factor.

It is very pleasing for the Chamber to have a very positive response from its membership. To continue at this level we must remain attractive and relevant to our members. We will continue to interact with FITA and the RBA, and to offer joint working arrangements if they wish to strengthen the collective commercial voice.

It should be particularly embarrassing for the Government to see businesses in all sectors critical of Governments lack of interest in the wellbeing of the business community (including elected members), and lack of response to its priorities and proposals. Its inward looking and Government centric approach to public policy holds back growth and profitability, restricting potential taxation income, to the dis-benefit of the whole community.

The BCS is a useful exercise to test the business climate, and the collective expectations of the sector which generates the wealth of our community. The Chamber of Commerce is happy to work with all relevant stakeholders to improve those areas which need improvement, and to champion success where it occurs.

Chamber Board

15/12/23

Rural Business Association

This page has been reserved for comment from the Rural Business Association (RBA).

Appendix – Full Results

Section 1 Business Background

Question 1: In what year was your business founded?

Answer Choices	%	Amount
Pre 1982	8.51%	8
1982-1988	12.77%	12
1989-1995	11.70%	11
1996-2000	14.89%	14
2001-2005	5.32%	5
2006-2010	8.51%	8
2011-2015	10.64%	10
2016-2021	21.28%	20
In the last 12 months	6.38%	6
	Answered	94
	Skipped	0

Question 2: What type of business do you operate?

Answer Choices	%	Amount
Sole Trader	29.79%	28
Partnership	12.77%	12
Limited Company	44.68%	42
Public Limited Company	1.06%	1
Limited Partnership	0.00%	0
Statutory Corporation	3.19%	3
Registered Charity	3.19%	3
Not-for-Profit	4.26%	4
Trust	1.06%	1
Other or a combination of the above (please specify)		4
	Answered	94
	Skipped	0

Four respondents selected Other

Number	Other (Please Specify)
1	Independent committee
2	Company Limited by Guarantee
3	farming
4	We are a Co-Operative but had to tick one of the above to be able to continue the survey!

Question 3: Where is your business primarily based?

Answer Choices	%	Amount
Stanley	67.02%	63
Mount Pleasant	1.06%	1
East Falkland	14.89%	14
West Falkland	8.51%	8
Islands	8.51%	8
Other (please specify)	67.02%	63
	Answered	94
	Skipped	0

One respondent selected Other

Number	Other (Please Specify)
1	Majority of Work carried out at MPA

Question 4: Is your business a member of the following business associations?

Answer Choices	%	Amount
None of the above	24.47%	23
Falkland Islands Chamber of Commerce (FICC)	57.45%	54
Rural Business Association (RBA)	21.28%	20
Falkland Islands Tourism Association (FITA)	26.60%	25
Falkland Islands Fishing Companies Association (FIFCA)	8.51%	8
	Answered	94
	Skipped	0

Question 5: Which industry does your business primarily operate within?

Answer Choices	%	Amount
Agriculture & Animal related services	19.35%	18
Business Services	8.60%	8
Communications & Finance	2.15%	2
Construction	8.60%	8
Education, Health & Social Services	3.23%	3
Fishing	9.68%	9
Land Transport	1.08%	1
Marine Services	5.38%	5
Mining, Quarrying, Oil and Gas Services	1.08%	1
Real Estate	0.00%	0
Restaurants & Hotels	3.23%	3
Retailers	9.68%	9
Science Research & Environmental Services	2.15%	2
Tourism	23.66%	22
Transport Ancillary	2.15%	2
	Answered	93
	Skipped	1

Question 6: What other industries does your business operate within?

Answer Choices	%	Amount
None of the above	24.68%	19
Agriculture & Animal related services	19.48%	15
Business Services	6.49%	5
Communications & Finance	3.90%	3
Construction	11.69%	9
Education, Health & Social Services	1.30%	1
Fishing	1.30%	1
Land Transport	12.99%	10
Marine Services	9.09%	7
Mining, Quarrying, Oil and Gas Services	9.09%	7
Real Estate	12.99%	10
Restaurants & Hotels	16.88%	13
Retailers	12.99%	10
Science Research & Environmental Services	12.99%	10
Tourism	31.17%	24
Transport Ancillary	6.49%	5
	Answered	77
	Skipped	17

Question 7: How many months of the year does your business operate?

Answer Choices	%	Amount
0-2 months	0.00%	0
3-6 months	9.68%	9
7-11 months	3.23%	3
All year round	87.10%	81
	Answered	93
	Skipped	1

Question 8: What is your main customer base?

Answer Choices	%	Amount
Stanley	32.26%	30
Camp	3.23%	3
BFSAI	1.08%	1
Business to Business	5.38%	5
Internet	2.15%	2
Seasonal (e.g. tourists)	15.05%	14
Overseas	21.51%	20
Offshore	0.00%	0
Export	7.53%	7
FIG	1.08%	1
Other (please specify)	10.75%	10
	Answered	93
	Skipped	1

Ten respondents selected Other

Number	Other (Please Specify)
1	stanley and overseas
2	General Public
3	Island-wide, internet and overseas
4	International
5	South Atlantic Islands of South Georgia, Tristan da Cunha, St Helena and Ascension
6	Local and cruise ship.
7	Combination of Stanley/Local Corporate/Overseas Corporate/Seasonal
8	More than one of the above
9	GSGSSI
10	Stanley/BFSAI/Camp

Question 9: Is your business owned by another organisation(s)?

Answer Choices	%	Amount
Yes	12.90%	12
No	87.10%	81
	Answered	93
	Skipped	1

Question 10: If you answered 'Yes' to the previous Question, where is your parent organisation based?

Answer Choices	%	Amount
Falkland Islands	83.33%	10
United Kingdom	8.33%	1
Spain	0.00%	0
Other European Country	0.00%	0
South America	8.33%	1
Other (please specify)	0.00%	0
	Answered	12
	Skipped	82

Question 11: Is your business in partnership with another organisation(s)?

Answer Choices	%	Amount
Yes	0.00%	0
No	100.00%	12
	Answered	12
	Skipped	82

Question 12: If you answered 'Yes' to the previous Question, where is your partner organisation based?

There were no responses to this question.

Question 13: Approximately, how many people did you employ in 2021, 2022 and forecast in 2023?

2021	0	1	2-5	6-10	11-25	26-50	50+	Total
Full-Time	3	20	18	9	7	1	5	63
Part-Time	6	8	13	2	1	0	0	30
Casual	4	5	6	0	4	0	0	19
Seasonal	3	1	11	2	0	1	2	20
Consultant	3	1	2	0	0	0	0	6
Interim/Temporary	3	0	1	0	0	0	0	4
Trainee	3	2	1	0	0	0	0	6
Other	2	0	0	0	0	0	0	2
2022	0	1	2-5	6-10	11-25	26-50	50+	Total
Full-Time	4	16	20	8	10	2	5	65
Part-Time	3	10	15	3	1	0	0	32
Casual	2	8	6	0	4	0	0	20
Seasonal	2	0	11	1	1	1	2	18
Consultant	2	3	3	0	0	0	0	8
Interim/Temporary	2	1	1	0	1	0	0	5
Trainee	3	1	3	0	0	0	0	7
Other	3	0	0	0	0	0	0	3
2023	0	1	2-5	6-10	11-25	26-50	50+	Total
Full-Time	4	14	22	8	9	3	5	65
Part-Time	2	12	15	5	1	0	0	35
Casual	3	5	8	0	4	0	0	20
Seasonal	2	0	10	2	1	1	2	18
Consultant	2	4	3	0	0	0	0	9
Interim/Temporary	2	0	1	0	1	0	0	4
Trainee	2	3	4	0	0	0	0	9
Other	2	0	0	0	0	0	0	2
Answered								79
Skipped								15

Section 2 Business Performance

Question 14: How do you rate your business's overall performance in the following years?

	Dismal	Poor	Average	Good	Very Good	Weighted Average
2021	4	8	22	32	10	3.47
2022	1	4	16	42	13	3.82
2023	3	1	15	36	21	3.93
Answered						76
Skipped						18

Question 15: How do you think your business performed or will perform in terms of profitability in the following years?

	Made a Profit	Made a Loss	Broke-Even	Amount
2021	43	15	18	76
2022	48	11	17	76
2023	58	7	11	76
Answered				76
Skipped				18

Question 16: Approximately, what was your business's turnover in 2021 and 2022 and what do you forecast your turnover to be in 2023?

2021	%	Amount
£0	5.26%	4
£1-£50k	23.68%	18
£51k-£100k	13.16%	10
£101k-£150k	13.16%	10
£151k-300K	11.84%	9
£301k-£500k	5.26%	4
£501k-£1m	5.26%	4
£1.01m-£3m	9.21%	7
£3.01m-£5m	1.32%	1
£5m+	11.84%	9
2022	%	Amount
£0	2.63%	2
£1-£50k	26.32%	20
£51k-£100k	13.16%	10
£101k-£150k	10.53%	8
£151k-300K	10.53%	8
£301k-£500k	7.89%	6
£501k-£1m	5.26%	4
£1.01m-£3m	7.89%	6
£3.01m-£5m	3.95%	3
£5m+	11.84%	9
2023	%	Amount
£0	1.32%	1
£1-£50k	25.00%	19
£51k-£100k	17.11%	13
£101k-£150k	10.53%	8
£151k-300K	13.16%	10
£301k-£500k	7.89%	6
£501k-£1m	5.26%	4
£1.01m-£3m	7.89%	6
£3.01m-£5m	3.95%	3
£5m+	13.16%	10
Answered		76
Skipped		18

Question 17: has the balance sheet value of your business increased over the past two years, and if so, approximately by how much?

Answer Choices	%	Amount
Less than £0	6.67%	5
£0 (no change)	29.33%	22
£1-£25k	26.67%	20
£25k-£50k	8.00%	6
£50k-£100k	12.00%	9
£100k-£500k	5.33%	4
£500k+	12.00%	9
Answered		75
Skipped		19

Question 18: How much cash surplus (positive cashflow) was retained in the business?

Answer Choices	%	Amount
less that £1k	18.67%	14
£1k-£10k	28.00%	21
£11k-£20k	10.67%	8
£21k-£50k	9.33%	7
£51k-£100k	9.33%	7
£101k-£200k	8.00%	6
£201k-£500k	5.33%	4
£501k-£1m	0.00%	0
£1m+	10.67%	8
Answered		75
Skipped		19

Section 3 The Economy and FIDC

Question 19: How do you think the Falkland Islands economy performed in the following years?

	Dismal	Poor	Average	Good	Very Good	Weighted Average
2021	1	15	36	24	0	3.09
2022	0	6	47	21	2	3.25
Answered						76
Skipped						18

Question 20: How do you forecast the future prospects of the Falkland Islands economy for the following years?

	Dismal	Poor	Average	Good	Very Good	Weighted Average
Short-term (2023)	1	10	27	38	0	3.34
Medium-term (2024 to 2028)	0	6	23	45	2	3.57
Long-term (2029 and beyond)	0	8	21	41	6	3.59
Answered						76
Skipped						18

Answer Choices	%	Amount
Access to Finance - Business Loan	7.04%	5
Access to Finance - Working Capital Loan/Overdraft	0.00%	0
Access to Finance - Credit Card Facilities	12.68%	9
Access to Finance - Merchant Banking Facilities	12.68%	9
Accountancy Services	0.00%	0
Air Links to South America (LATAM)	23.94%	17
Air Link to the UK (Airbridge)	12.68%	9
Air Link (FIGAS)	4.23%	3
Coastal Shipping/Ferry	15.49%	11
Cost of Electricity	22.54%	16
Cost of Fuel	32.39%	23
Distance to Markets	21.13%	15
FIG Regulations	12.68%	9
FIG Size/Presence	7.04%	5
FIG Procurement Policy	5.63%	4
Freight via FIRS	2.82%	2
Freight via SAAS	9.86%	7
Freight by Air Cargo	1.41%	1
Freight by Air Cargo - DHL	2.82%	2
Freight Costs - Internal	1.41%	1
Freight Costs by DHL	1.41%	1
Freight costs by Sea - Import	15.49%	11
Freight costs by Sea - Export	14.08%	10
Housing	15.49%	11
Immigration Regulations & System	11.27%	8
Insurance	2.82%	2
Internal Politics	8.45%	6
IT Services / Expertise	8.45%	6
External Politics	4.23%	3
Lack of Consultancy Services	1.41%	1
Legal Services	0.00%	0
Office Availability	1.41%	1
Public Infrastructure	18.31%	13
Shortage of Skilled Labour	35.21%	25
Shortage of Unskilled Labour	5.63%	4
Small Local Market	14.08%	10
Storage Availability	1.41%	1
Taxation	4.23%	3
Telecommunications - Cost	19.72%	14
Telecommunications - Bandwidth (Speed & Quality)	28.17%	20
Telecommunications - Package Size	8.45%	6
Training	2.82%	2
Warehouse Availability	4.23%	3
Other (please specify)	8.45%	6
Answered		71
Skipped		23

6 respondents selected Other

<i>Number</i>	<i>Other (Please Specify)</i>
1	We are a not-for-profit charity. These things don't apply.
2	Banking ie online
3	I have to keep on top of Telecommunications politic
4	FIG's failure to exploit natural recourses for land repair
5	happy with the growth projections
6	Frequency of commercial flights and freight - FIG policy stability - MOD lack of cooperation

Question 22: Could you provide some detail regarding your five selections, particularly if you were able to overcome the identified barrier or barriers?

Answers Completed	Amount
Answered	33
Skipped	61

Fuel and electricity are the biggest cost issues because of the nature of our horticultural side of the business. Overseas freight is also a crippling factor especially on small units . The market we operate in especially the retail and restaurants are few . We are working to improving our service to smaller outlets.

Since the pandemic everything has gone up in price, consumables, fuel, electricity, labour costs and so on. The shipping prices have gone up and imports have gone up too. The fact that the market is too small and the current economic conditions make it impossible for us to rise prices and the nature of the business means that people quickly stop using us as they need to tighten up their belts. The lack of real access to finance makes it impossible to grow as a business, an example is we rent 3 properties to house staff at a cost of 4.5K per calendar month, if we were to get a significant loan to build our own custom designed accommodation for the staff we could save on thousands of pounds. This is where FIDC should be helping us. The loss of the second flight to Sao Paulo is also an impediment for anyone to contemplate developing in accommodation or other amenities, we need this route back. We need to import all the work force at a high cost due to their locations, paper work and flight arrangements, hotels and taxis, average cost is 5K per employee.

Further growth of overland tourism is limited by international airlinks and limited seats available. The unreliability of the MOD flight adds to a lack of confidence for international tourists. Coastal shipping is a major barrier as the current operation is unable to land large freight (i.e. vehicles, building materials) at the island. Lack of local seasonal labour always forces us to employ staff from overseas, adding to the overall cost (i.e. flight costs), and local skilled labour for contracted building works, plumbing and electrical is limited by the lack of interest to work in camp for any length of time.

Another airline to SA. Freight costs. Telephone Internet costs, slow and expensive.

The size of the market especially dealing with such a short peak season for the international travellers. Need more international flights to the islands and extra facilities in the camp locations so the land based tourism numbers can grow during the short season. Our business is a high energy user and the increases have added a huge fixed cost onto the business. Most staff to run the business is imported which means the need to move staff and house them during the term of their contract. There is a shortage of affordable housing which restricts this from happening at times. The local market is an all year market, but not big enough to sustain the

business levels required to run our business, so the international market is the main focus to maximise during the season to keep the business profitable throughout the year.

As an independent committee using locally employed consultants for research/reviews, it is challenging to find a team of people, we have succeeded in as much that we have a small number of people with different skills but could always use more. FIG regulations/policy does make information gathering a challenge sometimes!

The immigration system markedly improved last season, with a timeframe of no more than 3 weeks from submission to approval of seasonal work permits. We really do need to increase the frequency of flights to South America, or tourism will wither on the vine

Skilled operative shortages are a problem in the construction industry

high costs for freight cannot be overcome. simply have to pass the cost onto the consumer. lack of skilled workers difficult to recruit with out accommodation

Telecommunications has been the biggest inhibitor to economic development for many years- nothing has changed. Nobody is taking any notice of the gathering and reporting of this. Infrastructure in the Falklands is getting worse not better - 2 working berths for a maritime centric economy. Burdened further by legal requirements to unload more catch to a shipper than can not hold enough containers or ship them often enough or even have power sources for them. The internal politics and poor infrastructure only exacerbate the above issues. We are living in the stone age with regard to our banking facilities, we hope this was borne out in the recent work carried out by FIDC and the chamber of commerce.

Labour Shortage means labour can only be sourced outside of islands which brings added costs Telecommunications makes ordering on some platforms a challenge with slow and poor quality this can also affect visa payments that have increased by 40% since covid Housing is a massive concern for all imported labour , high rents and affordability being forefront Freight costs reduces margins whilst competing and making products affordable Electricity brings sky high operational costs

1. FIGAS is failing to provide service required by tourist industry, with lack of serviceable airframes during summer months. Out of 5 (arguably 4) airframes they have they only had max of 3 flying on any given day during the summer. Below is rough data on aircraft serviceable on any day during summer 1st oct 22 to 31st March 23, 5 aircraft = 0 days 4 aircraft = 0 days 3 aircraft = 30 days 2 aircraft = 118 days 1 aircraft = 30 days I am missing data for 2 days and there are 2 days during summer FIGAS do not fly. It is a major concern that at some stage FIGAS will fail the industry completely during future summers. With flight times throughout any one day we are finding it increasingly difficult to carry out operation we need to on island. 2. Coastal Shipping. With inability/willingness of Workboat services to be able to deliver large items to our island, such as vehicles our business will fail within the next five years. 3. Not having mobile coverage on island is a major issue as we spend many hours waiting in office for FIGAS ETA's etc. We also have health and safety concerns not having mobile service.

FIGAS inadequate, not enough capacity to deliver the tourism sector of camp/islands. Only 1-2 planes in operation despite having fleet of 5. Flights all through day starting at 6am in some days and up to 7pm in evening. Airlines due to rotor winds cause delays and cancellations of tourist bookings and lost revenue. Workboat service can not perform landings at our island destination which means we cannot get ashore vehicles or any large items, the sea truck should have been designed with consultation/site visits to deliver to all destinations but it was never considered. If we cannot replace vehicles when they finally give up then the business/tourist destination will be forced to close. Lack of staff accommodation is an issue at our island, and plans pre covid to build a new accommodation block were scrapped due to raising costs of material, sea freight and labour. Shortage of skilled labour that are willing to work for extended periods (weeks) outside of Stanley.

The cost of fuel and electricity is contributing to the high cost of living here and therefore reducing the amount of "spare" cash that is available for impulse shopping. This could

potentially result in decreased turnover on non-essential items. Freight costs by sea are increasing, which in turn increase the cost of all goods imported and again increasing the cost of living. We have a reasonable sized warehouse but if we wanted to branch out into something else such as importing furniture or other large items, we would be unable to do this due to lack of space.

As long as I can afford to pay my bills and as long as I don't have telecommunications blockages things will be fine. If things get too expensive I might have to start charging again.

FIG policy on agriculture and environment are a disaster, failure to help address Land issues such as long term erosion, Diddle-dee dieback created erosion, desertification long term and increasingly weather related. Holes in the hydrology can be permanently repaired.

Problems with bank not having ISBN facilities to enable transfer of payments from overseas. Treasury do not understand nor appreciate the collectibles market for onward sales of coins and banknotes.

Freight costs via SAAS are based on per container which takes 102 bales of wool our farm only produces 95 bales making the freight more per bale. Sure data package too expensive and there should be a Internet package in between small and medium.

Obviously only one flight from South America is an impediment to the growth of the business long term, however a much greater threat to us right now is the very poor performance of Figas. Many days this season they have been down to one plane flying, starting at 6 or 6.30 in the morning and finishing at 8pm. Already our bookings are significantly up for the coming season so we will need there to be 3 planes at least operating everyday and over the last 3 years this has very rarely been the case. It is not acceptable for me for Figas to claim they moved everybody on the day so what's the problem. so many times this season we had people stuck here till 6 or 7 pm when they had already paid a lot of money to be elsewhere. This is not only off putting and frustrating for them it also puts a load on us with extra meals and trying to provide something for them to be doing when they have already seen everything here. Likewise when people are arriving before or at breakfast time it causes chaos for us. Putting it Frankly they have been extremely close to actually failing to move everybody on a given day several times lately and I don't see any effort going into making the service more robust. I think Figas has become the biggest barrier to growth in land based tourism right now. People pay a lot of money to come here and I think they should be entitled to a better service than what is currently being provided as it is seriously impacting on many peoples itineraries, not a good advert for our tourist industry!

Haulage - being able to book ferries is getting worse as it is always full of contractor (FIC - MOD) machinery. Also it goes on island runs a lot. The cost of shipping wool overseas has increased greatly Fuel costs have of course affected lots as lots of fuel used on a farm and haulage The distance to get our animals to the abattoir and costs involved - it costs a minimum of a 3rd of slaughter price in haulage fees

I don't think you considered that maybe you don't want to grow the business? Maybe happy with where the business is. For the economy to do well (and i don't mean for FIG to make a surplus - which it can do on the back of licence fees and tax take) FIG need to complete some capital projects and employ people to complete them. Inefficiencies within fig are the most restrictive.

Access to modern banking facilities is a huge and increasing barrier. As is telecoms. Our phone and internet provision is not fit for purpose and shame on FIG for allowing us to be so poorly served. Access to retail premises is also a barrier to micro businesses. The Hillside development has been way too slow and the proposed rents are far too high - FIDC/FIG missed the point completely.

Limited size and capabilities of existing port infrastructure limits growth, but is workable. FIG extracting large license fees does not help with investment.

FIG behaviours and attitudes towards the Fishing Industry result in uncommercial decision making. Excessive fixed fee extraction from the industry increase borrowing costs and risk and extract future profit from the at a discounted value today. Internal politics / attitudes results in poor decision making by FIG impacting on growth. Extremely vulnerable to single source supplier/choice for IT support. Poor service level and affected by personal opinions and views. Extremely vulnerable to actions/inactions of HMG/ARG and their supporters. Appears to impact on ability to access banking and merchant services. Poor bandwidth significantly hampering efficiency and operating costs. Increased reliance on cloud based programs impacts productivity of staff. Inability to access vessel system remotely has cost 10's of ,000 in additional costs to achieve same but poorer results.

Merchant Bank facilities mean that to take card payments the money is collected off shore and then has to be transferred back meaning need to operate additional bank accounts incurring additional fees and having to take greater care managing cash flows. IT systems are important and need to have sufficient services able to maintain and expand IT systems. Difficult to bring in new staff due to housing costs and shortage of housing. New markets for international trade in financial services limited by FIG not providing modern regulation

Lack of access to Chinese markets due to their agreement with Argentina Lack of port facilities, berth access and lay-up berth facilities Lack of stability and predictability in FIG policy decisions regarding the fishing industry Require greater frequency of commercial flights and sea freight to improve efficiency in crew changes and provisioning Lack of MOD co-operation in relation to sharing resources (e.g. diving) and sourcing locally The lack of skilled labour in terms of developing property, or expanding services, is a general issue which is more about improved efficiency rather than business growth Note: poor internet speeds are a source of daily frustration but cannot claim it would grow our business. Just make it much more efficient.

Immigration and requirements to gain work permits are neither user friendly, cheap or quick, delays in getting people here delay works , delay sales and delay profits. A lack of people is an accepted challenge, to grow we must import people, but recruiting to get here and then the immigration requirements aren't helpful. Freight and utility costs have put huge extra cost and challenge on the business this year

Bringing in animals via LATAM is very challenging, another air link would give another option to import animals. Getting trained people to work part-time is very hard locally as training takes time, if there were more skilled locals the pool would be bigger. Additionally, bringing in someone from overseas is very difficult with immigration and the cost of housing, lack of housing and fuel etc. A space for training to rent would be ideal but there is a lack of suitable places in town.

Insurance cover for professional indemnity is limited and costly. IT services feel very fragile, we are completely reliant on our contractor, and lack of certain IT facilities causes difficulties with our largest client. We need to step-up to the next level and employ another qualified professional. In an ideal world we would employ somebody part-time and build up the business, but there is nobody available locally, and bringing somebody in from outside immediately brings us up against the barriers of immigration and housing.

No real barriers

Air Link - More often than not, the air bridge is delayed and moving human resources is costly and this just adds to the financial burden. Freight Cost - Very expensive to import goods in addition to a long supply chain Housing for overseas employees is too expensive, it's very difficult to afford an overseas employee when running a small to medium sized business. Immigration, Work Permit process is improving however, still a number of hoops to jump through on a frequent basis. There should be exception for some individuals who have been in a specific role for a number of years to continue in that role without having to complete a full WP process ever few years. Example of one employee within our business has had 5 work permits issued over a period of 8 years. Due to periods of employment/contract being out of sync with

WP renewals. Skilled labour, Always difficult to find for specific roles. This also hampers business growth and coupled with the air link, cost/availability of housing makes it a perfect storm.

We have to import labour but use a foreign company as the contractor to overcome some immigration challenges. Our company has no access to credit cards so has to use foreign company card

Impossible FIG and FIDC are not interested in problems facing small businesses and any attempt to deal with either was met by people employed by them who collect wages not earn them

Question 23: The following have appeared in the top 5 barriers of growth in the the last 6 BCS. Please rank the top 5 barriers from 1 to 7 where 1 is the most significant and 7 the least significant.

Answer Choices	1	2	3	4	5	6	7	Total	Weighted Average	
Freight costs	13	7	10	8	8	7	6	59	4.39	
Shortage of Skilled labour	11	10	12	3	8	8	5	57	4.46	
Air links	11	9	8	8	9	5	9	59	4.22	
Small local market	5	11	4	7	12	8	10	57	3.7	
Distance to market	5	5	9	7	3	10	17	56	3.29	
Telecommunications Bandwidth (Speed & Quality)	17	8	7	12	7	7	4	62	4.66	
Telecommunications Cost	1	11	10	13	11	9	4	59	3.9	
Answered									64	
Skipped									30	

Question 24: Has your business been awarded work at British Forces South Atlantic Islands (BFSAI)?

Answer Choices	%	Amount
Yes - currently doing work at BFSAI	9.86%	7
Yes - currently working on a sub-contract basis at BFSAI	5.63%	4
Yes - worked at BFSAI in the past	4.23%	3
Yes - worked as a sub-contractor at BFSAI in the past	1.41%	1
No - but I would like to	33.80%	24
No - and I am not interested	45.07%	32
Answered	71	
Skipped	23	

Question 25: How did you learn of the work opportunity at BFSAI?

Answer Choices	%	Amount
Approached directly by MoD or Contractor	20.00%	3
MoD procurement website	13.33%	2
SAROS (www.saros.co.fk)	0.00%	0
International advert	0.00%	0
Local advert	13.33%	2
Word of mouth	20.00%	3
Approached the contractor	13.33%	2
Other (please specify)	20.00%	3
Answered		15
Skipped		79

Three respondents selected Other:

Number	Other (Please Specify)
1	MOD would no longer undertake the work
2	Existing contract for LATAM flight provision
3	Entered formal tender process as advertised

Question 26: Has your business ever received assistance from FIDC?

Answer Choices	%	Amount
Yes	50.70%	36
No	49.30%	35
Answered		71
Skipped		23

Question 27: If you answered 'Yes' to the previous Question, can you provide the types of assistance your business has received from FIDC and when such assistance was received?

	Within the last 2 years (2021 to date)	2018 - 2020	2015 - 2017	Earlier than 2015	Total
Business Advice	10	4	4	3	16
Loan	7	5	7	7	24
Grant (Business, Energy, Domestic)	12	6	5	3	17
Renewable Energy Advice	7	5	1	0	13
Training	7	4	3	2	9
Other (please specify)					3
Answered					36
Skipped					58

Three respondents selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	Shareholding
2	The MERCOPRESS affair
3	Start Up Office - Reduced Rent

Question 28: How do you rate the performance of FIDC?

	Dismal	Poor	Average	Good	Excellent	Total	Weighted Average
	6	13	23	19	10	71	3.2
Answered							71
Skipped							23

Question 29: What additional services could FIDC offer that would be of assistance to your business?

Answers Completed	Amount
Answered	25
Skipped	69

Start up grant for new business.

Business is business but the sectors are different so it is difficult to work with FIDC when you don't really have expert advice on specific sectors so the assistance besides numbers is average. Work to re-instate a second airlink from South America, although the political challenges of this are difficult at this time.

After our first experience going to FIDC, I hope we never have to in the future.

assistance with access to large corporate financing arrangements

A really concerted effort to find solutions to water shortages in the Camp Likewise for renewable energy - much more to be done in this area

N/A

Should be closed down, an absolute waste of time and money

None at this point due to the nature of our business.

Recruitment assistance to help import worker

FIDC have been excellent with us, offering advise and assistant to try to overcome some of our barriers. Unfortunately these barriers are beyond FIDC in some cases and often fall flat once FIG are involved.

You've done enough, thank you.

Help with renewable energy and grants for replacing old equipment

Not aware of any

Maybe have touch with reality of working for your own business in the Falklands?

Renewable energy advice and practical projects (e.g. trialling new equipment)

We find the courses offer by FIDC are very helpful to the staff but quite spread out. More frequency of courses would mean additional training for staff, spread across the year, without having to close our premises, so all staff can benefit.

grants to help mitigate risk of employing from overseas.

Expanding on their initial work into facilitating eco consultancy services would be good

Working as partners if the right opportunities presented

Green energy grant

Grants for developing the business in line with the business needs as opposed to what FIDC think is needed particularly for slightly more unusual businesses that perhaps don't follow a traditional business model but are demonstrably successful. Developing business plans with knowledgeable people, or being able to put a business in touch with someone who understand the business if that support is not available locally. Grants to develop business premises and training grants to go overseas or do online training.

More training courses Register of professionals interested in working in the Falklands Register of students interested in returning to the Falklands Guidance on how to construct a business plan

None they are hopeless

Having tried to access all assistance in the last 12 months and being turned into a pass the parcel where the music never stops I would suggest that FIDC starts doing hat it was set up for rather than exploring new areas to fail in

Question 30: What do you think FIDC's role in the economic development of the Falkland Islands should be?

Answers Completed	Amount
Answered	27
Skipped	66

To encourage and support business development. Grants loans training advice

FIDC seems to be doing the same as it did 30 years ago, still only assisting on small projects and not realising the potential for big projects with a vision for development and growth. The funding that FIDC can assist with is not realistic any more for modern times and the high costs for construction and operational purposes. FIDC could be key in the development of tourism related projects even at a smaller scale in comparison to other countries in South America but we could be developing high end quality products that would attract a higher spend type of client. FIDC should concentrate in developing infrastructure for the domestic and international market such a decent air terminal or a marina, it is not the role of FIDC to be doing marketing for the Falklands but helping us in developing businesses that can cater for larger number of visitors. Please correct me if I'm wrong but I don't think any fishing companies go to FIDC for financial assistance, you need to grow at the same level of these big companies if you really want to make an impact to the economic development of the Falkland Islands.

Helping small businesses like. They already do

FIDC should look to review it's Tourism Development Strategy, following covid and the loss of the second airlink to South America. The current strategy is 2016-2023 so it would be good to see the development of a new strategy considering the difficulties that arose from covid and how, if any, this is likely to influence future travel. Consultation with the tourism sector is paramount.

Should work together with FITB and SCB

more of a risk taking approach to new and potential business ideas and help these business develop

To take some real steps in developing diversification of the economy, both in Stanley and in Camp

N/A

Nothing.

FIDC should play a more active role in seeking opportunities for contracts at MPA. They are poorly advertised locally.

Economic growth enabler. Not risk adverse, not held back by red tape and internal politics.

Supporting businesses to grow.

Should be the lender of last resort

Try NOT to put struggling businesses under.

Based on the same as it does now

limited - to lender of the last resort.

Development and growth of the economy in a sustainable way along with identifying new opportunities. This could take the form of grants and loans where there are no other sources of financing, but also working with other agencies to ensure that we have a skilled workforce of the right size to achieve what we aspire to achieve.

It should be creating new ideas and pushing those, whilst continuing to support existing businesses with competitive loans.

FIDC needs to be heavily involved with the development of businesses and improvement of overall services in the Islands. When we have approached FICD in the past about grants, we have found that the restrictions surrounding such grants, made them very unattractive and limited to our needs.

Support new and existing SME's operate efficiently and effectively and support their managed growth into larger businesses.

Considering what business opportunities may exist for existing businesses and what the barriers to those business are preventing them from developing and how those barriers can be mitigated including proving funds to mitigate risk. Potentially, taking shares or a financial interest in the business and receiving a return on the investment as opposed to simply providing loans or grants. what are the barriers to businesses from outside developing in the Falklands and how can such barriers can be mitigated.

Providing capital and business advice to small businesses to encourage entrepreneurship To be more pro-active in developing the rural strategy other than just in terms of grants Identify new areas of income generation and seek partners in the community for developing them

Initially a clear message about how FIDC can support

Take a more proactive and risk taking approach to identify and carry out initiatives to support and grow the local business economy.

Looking at ways to help businesses grow (see above) Tackling the big enablers - from shipping and air links, to banking problems, to breaking down the fence and getting the local business community into MPC

To guide and support businesses in the islands

Facilitating loans to businesses for development and assisting start ups

Question 31: Has your business ever been unsuccessful at securing funding from FIDC?

Answer Choices	%	Amount
Not Applicable	33.80%	24
Yes	12.68%	9
No	53.52%	38
Answered		71
Skipped		23

Question 32: If you answered Yes in previous question, what were the reasons why you were unsuccessful securing funding?

Answers Completed	Amount
Answered	9
Skipped	85

no vision from FIDC

Not needed

Funding

FIDC To slow and unresponsive to the situation

Applied for the water renewal grant and was told we couldn't have it as for 3 years we had been purchasing the necessary items to run all new water lines, inline pumps, heavy duty power cable and tanks which we were told the paid invoices for those items was too old. Not every business can afford to hit everything from their profit which was why we bought it bit by bit

Was felt that FIDC should not be supporting businesses to develop their operation outside the Falkland Islands. (Energy advise)

We wanted a loan of around 2 million pounds to help us by our second vessel. This was a long time ago!

N/A

Because I couldn't even get to the application stage because I kept getting passed from person to person, each one thought so and so would be better suited to helping me. Till I ran out of time and missed the opportunity. But they all managed to take time to travel to tourist destinations in the name of representing FIDC. Shameful

Section 4 Innovation

Question 33: How innovative do you rate your business?

	Not at All	Innovative	Very Innovative	Weighted Average	Amount
Responses	6	50	14	2.11	70
Answered					70
Skipped					24

Question 34: How important do you consider innovation to your business?

	Not at All	Innovative	Very Innovative	Weighted Average	Amount
Responses	3	46	21	2.26	70
Answered					70
Skipped					24

Question 35: What percentage of your turnover did your business invest in Research & Development in the following years?

2021	%	Amount
0%	29.69%	19
1%-5%	45.31%	29
6%-15%	10.94%	7
16%-25%	6.25%	4
26%-50%	1.56%	1
51%-75%	3.13%	2
76%+	3.13%	2
2022	%	Amount
0%	27.42%	17
1%-5%	38.71%	24
6%-15%	19.35%	12
16%-25%	6.45%	4
26%-50%	1.61%	1
51%-75%	1.61%	1
76%+	4.84%	3
2023 (forecast)	%	Amount
0%	26.56%	17
1%-5%	32.81%	21
6%-15%	21.88%	14
16%-25%	9.38%	6
26%-50%	3.13%	2
51%-75%	1.56%	1
76%+	4.69%	3
Skipped		67
Answered		27

Question 36: Are you currently exploring ways to innovate your business?

Answer Choices	%	Amount
Yes	81.43%	57
No	18.57%	13
Answered		70
Skipped		24

Question 37: If you answered 'Yes' to the previous Question, what kind of innovation are you exploring?

Answer Choices	%	Amount
Improvements to networks	28.07%	16
Improvements to your business/staff structure	45.61%	26
Improvements to your processes	56.14%	32
Improvements in your products/services	68.42%	39
Improvements in customer services	36.84%	21
Improvements to marketing/branding & market research	47.37%	27
Improvements in customer engagement	33.33%	19
Improvements in reducing carbon emissions	54.39%	31
Improvements in switching towards renewable energy	50.88%	29
Improvements towards increased sustainability	47.37%	27
Other (please specify)	3.51%	2
Answered		57
Skipped		37

Two respondents selected Other:

Number	Other (Please Specify)
1	Finding recycling solutions for fishing gear; actively pursuing options for effective use of discards
2	Exploring new methods to replace outdated ones

Question 38: Please select up to three barriers that prevent your business from innovating?

Answer Choices	%	Amount
Access to Finance - Business Loan	8.57%	6
Access to Finance - Working Capital Loan/Overdraft	4.29%	3
Access to Finance - Credit Card Facilities	5.71%	4
Access to Finance - Merchant Banking Facilities	1.43%	1
Accountancy Services	0.00%	0
Air Links to South America (LATAM)	10.00%	7
Air Link to the UK (Airbridge)	0.00%	0
Air Link (FIGAS)	2.86%	2
Coastal Shipping/Ferry	10.00%	7
Cost of Electricity	5.71%	4
Cost of Fuel	11.43%	8
Distance to Markets	15.71%	11
FIG Regulations	11.43%	8
FIG Size/Presence	2.86%	2
Freight via FIRS	0.00%	0
Freight via SAAS	1.43%	1
Freight by Air Cargo	1.43%	1
Freight Costs by DHL	0.00%	0
Freight Costs - Internal	0.00%	0
Freight costs by Sea - Import	8.57%	6
Freight costs by Sea - Export	5.71%	4
Housing	2.86%	2
Immigration Regulations & System	2.86%	2
Insurance	0.00%	0
Internal Politics	1.43%	1
IT services / Expertise	7.14%	5
External Politics	4.29%	3
Lack of Consultancy Services	5.71%	4
Legal Services	0.00%	0
No Demand/Not Yet Cost Effective	7.14%	5
Office Availability	1.43%	1
Public Infrastructure	7.14%	5
Shortage of Skilled Labour	20.00%	14
Shortage of Unskilled Labour	5.71%	4
Small Local Market	14.29%	10
Storage Availability	1.43%	1
Taxation	4.29%	3
Telecommunications - Cost	10.00%	7
Telecommunications - Bandwidth (Speed & Quality)	24.29%	17
Telecommunications - Package Size	2.86%	2
Training	5.71%	4
Warehouse Availability	0.00%	0
Other (please specify)	10.00%	7
Answered		70
Skipped		24

Seven respondents selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	None
2	high interest costs
3	no time for innovation we are fully occupied doing what we do
4	lack of time as happy to not employ extras and do not have desire to grow the business beyond one person
5	Justification of cost
6	Knowledge
7	Lack of industrial premises

Question 39: If you have managed to overcome a barrier or barriers in the last two years, could you explain how you overcame it?

Answers Completed	Amount
Answered	14
Skipped	80

Installing low energy and low cost systems

Working my butt off with a very small team to reduce costs.

Links open again to SA June 2022. FITB helped by grants.

We overcame a water shortage, with support from FIDC matched funding, but otherwise totally on our own innovation, as there was no apparent knowledge base that we could call on.

Work harder.

Most innovation is achieved at sea or in overseas markets so difficult to give it Falklands context.

Bought in overseas trainers Invested in different EPOS options

In the past we worked with BFSAI to deliver a vehicle / building materials on island, however this option is no longer available.

Many customers say they are willing to pay me and will do so if I should begin to charge them again. With the uncertain economy I have been reluctant to do this as when I lose customers, the economy is the excuse they use for stopping the service.

n/a

keeping consultants in the UK and using video conference facilities rather than housing consultants here

Being willing and able to afford higher costs associated with some better ecological options has been important. Ensuring we are fully staffed and staff members are motivated, engaged and aspirational is hugely important. So good management practices.

Applied for a grant to go overseas to train

N/A

Section 5 Business Associations

Question 40: How do you rate the effectiveness of the Falkland Islands Tourism Association?

	Dismal	Poor	Average	Good	Excellent	Total	Weighted Average
	2	3	11	1	0	17	2.65
Answered							17
Skipped							77

Question 41: How do you rate the following FITA services?

Answer Choices	Do not use	Poor	Average	Good	Amount
Lobby FIG, FITB and other public and private sector organisations to promote the best interests of members	1	8	7	0	16
Encourage and facilitate research that will benefit the Association	2	10	4	0	16
Ascertain and communicate the view of members with other trade associations, authorities (including training providers) and persons on all matters affecting FITA or its members and to take such action as may be appropriate in response to those views	2	10	3	1	16
Encourage the development of domestic Falkland Islands Tourism	0	9	5	3	17
Encourage the development of international Falkland Islands Tourism	0	10	4	2	16
Answered					17
Skipped					77

Question 42: How do you rate FITA's ability to influence the following?

	Very Negative	Negative	No Influence	Positive	Very Positive	Total
Falkland Islands Economy	3	0	9	5	0	17
Falkland Islands Government	3	0	9	5	0	17
Falkland Islands Tourist Board (FITB)	2	1	3	10	1	17
Answered						17
Skipped						77

Question 43: If you wish to provide further comment regarding the performance of the Falkland Islands Tourism Association please do so in the box below.

Answers Completed	Amount
Answered	8
Skipped	86

FITA is almost non-existent with no real drive to bring the industry together and influence FITB or FIG

It's not an area I can comment on, so have chosen 'no influence'.

FITA are too small an organisation to be able to make any influence anywhere. Their only funding is received from minimal member donations so it's impossible to finance any meaningful interaction/lobbying etc. The small organisation relies upon volunteers who have full time jobs or are heavily involved within the tourism industry. Their current reporting structure is to push matters up via FITB who themselves are ineffective. Other economies have much larger organisations to support their endeavours such as the RBA, FIFCA, Chamber of Commerce etc Unless there is funding available to support a person to work on behalf of FITA - there will never be any traction gained.

There is a very recent increase in positive activity from FITA, and if this continues the Association may well become more useful

Need an updated TDS

If you have a market of 100 people who are interested in your product and can not generate more interest despite effective advertising and outreach, the product is almost certainly the problem.

They need to have some buy in from the industry membership is incredibly low.

It's not there fault both they and tourist board have an MLA who is not proactive or understanding of tourism in the islands. FIG has also demonstrated a extreme lack of understanding or wish to facilitate tourism

Question 44: How do you rate the effectiveness of the Chamber of Commerce?

	Very Poor	Poor	Average	Good	Very Good	Total	Weighted Average
	0	0	7	20	14	41	4.17
Answered							41
Skipped							53

Question 45: How do you rate the following core Chamber services?

Answer Choices	Poor	Average	Good	Total
Hosting incoming business and political delegations	0	7	34	41
Email & News Updates	0	4	37	41
Website	0	14	24	38
Representation on FIG Committees	0	12	26	38
Interaction with FIG on behalf of members	0	7	33	40
Influence on FIG policies	2	18	19	39
Interaction with members	0	4	37	41
Events/ Meetings	0	4	36	40
Business breakfasts	0	5	35	40
Answered				41
Skipped				53

Question 46: How do you rate the following ancillary Chamber services?

Answer Choices	Do Not Use	Poor	Average	Good	Total
DHL - Incoming	8	1	10	21	40
DHL - Outgoing	14	1	9	16	40
Meeting room hire	8	0	7	24	39
Square	14	1	3	20	38
Answered					40
Skipped					54

Question 47: Are there any additional services you feel the Chamber should provide, or ways it could improve its existing services?

Answers Completed	Amount
Answered	6
Skipped	88

Business Forums and talks by industry leaders

Prompter DHL service, working at weekends and on public holidays if required

CoC currently does everything it does well. Reliant on a good Exec Sec. No new services, just continue to improve on what it does.

The Chamber do a good job

The current manager does an excellent job

Not let small businesses get dwarfed by larger businesses. Push fidc to be more proactive in this area

Question 48: How important are the Chamber's current priorities to your business?

	Does not Affect my business	Not Very Important	Quite Important	Very Important	Total
Workforce Development & Immigration Processes	7	3	23	16	49
Telecoms	2	1	17	28	48
Capital Program (inc. Housing and Port)	9	4	14	21	48
Hillside Future use	16	19	6	7	48
Housing Policies and Landlord / Tenant Laws	13	13	12	10	48
Employment & Labour Laws	3	3	22	20	48
Environmental Policies	3	3	24	18	48
Taxation Policy	4	3	23	18	48
Reducing FIG Bureaucracy	1	4	14	29	48
FIG Procurement Policy	7	8	17	15	47
Education & Training (inc. Apprenticeships & College outputs)	6	6	15	21	48
Access to Finance & Banking Services	3	4	13	28	48
FIG Privatisation Policies	7	10	14	17	48
Answered					49
Skipped					45

Question 49: How important do you think the Chamber's current priorities are to the Falkland Islands business community as a whole?

	Does not Affect my business	Not Very Important	Quite Important	Very Important	Total
Workforce Development & Immigration Processes	2	1	10	33	46
Telecoms	1	0	5	39	45
Air Links	2	1	5	36	44
Capital Program (inc. Housing and Port)	1	0	11	32	44
Hillside Future use	5	9	14	15	43
Housing Policies and Landlord / Tenant Laws	4	4	19	17	44
Employment & Labour Laws	1	1	15	27	44
Environmental Policies	1	3	14	26	44
Taxation Policy	2	2	11	29	44
Reducing FIG Bureaucracy	1	3	8	32	44
FIG Procurement Policy	3	3	17	21	44
Education & Training (inc. Apprenticeships & College outputs)	2	3	11	28	44
Access to Finance & Banking Services	1	3	8	32	44
FIG Privatisation Policies	2	6	18	18	44
Answered					46
Skipped					48

Question 50: How do you rate the Chamber's ability to influence the following?

	Very Negative	Negative	No Influence	Positive	Very Positive	Total
Falkland Islands Economy	1	0	8	33	5	47
Falkland Islands Government	2	1	8	30	7	48
Answered						48
Skipped						46

Question 51: If you wish to provide further comment regarding the performance of the Chamber please do so in the box below.

Answers Completed	Amount
Answered	7
Skipped	87

The Chamber has made very positive and significant changes in the couple of years, it is a loud voice for the business community

It does a very good job

Big voice - little influence

have no idea what they think about anything.

They believe that they represent the views of its membership but attendance of meetings and feedback from questionnaires would suggest otherwise.

Think the Chamber does a great job, but is limited by an odd anti-business stance within Gilbert House currently.

In order for the chamber to be effective there needs to be receptors within FIG and Gilbert House but unfortunately one is filled with workers on contracts and not committed to the long-term future of the islands and the MLAs seem to have forgot everything they were elected on

Question 52: The RBA membership consists of a very broad church, made up of land owners, sheep farmers, through to NGOs, individuals, and contractors who ply a seasonal business across Camp. Do you believe the RBA should adopt a more structured approach to managing its members' business interests, given that some members also subscribe to other industry associations?

Answer Choices	%	Amount
Yes	60.00%	21
No	28.57%	10
Other (please specify)	11.43%	4
Answered		70
Skipped		24

Four respondents selected Other:

Number	Other (Please Specify)
1	Can't comment
2	Unable to comment
3	I don't have a strong opinion.
4	n/a no view

Question 53: Regarding the association please choose one option:

Answer Choices	%	Amount
I would be prepared to fund a half-day year-round Association employee with access to office facilities to promote a more visible profile with rural affairs centre stage	70.00%	7
I think broad church membership and its existing volunteer focus should continue as is	30.00%	3
Answered		10
Skipped		84

Question 54: Which industry sector best represents your business involvement in Camp?

Answer Choices	%	Amount
Land owner	3.13%	1
Tourist operator	40.63%	13
Sheep farmer	28.13%	9
Cattle farmer	0.00%	0
NGO	0.00%	0
Contracted business provider?	28.13%	9
Answered		32
Skipped		62

Question 55: How do you forecast the economic sustainability of your business across the next 3 years?

	Poor	Good	Very Good	Excellent	Amount
2024	5	6	2	0	13
2025	4	7	2	0	13
2026	4	7	2	0	13
Answered					13
Skipped					81

Question 56: Earlier iterations of the Falkland Islands Government Islands Plan set down aspirational percentage increases in Camp population and in economic business growth. It is the RBA's view that the current Islands Plan remains deficient in specific objectives, and broad promises are offered:(a) We will support the rural economy and explore options for growth.(b) We will increase our knowledge and awareness of the best and most viable ways to ensure we have an environmentally sustainable future, and(c) We will work together to prevent existing problems from getting worse, such as climate change and social inequity. Do you believe those policy objectives to be realistic?

Answer Choices	%	Amount
Yes	40.00%	14
No	54.29%	19
Other (please specify)	5.71%	2
Answered		35
Skipped		59

Two respondents selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	We cannot have a future wile FIG departments are self indulging and failing to address even the basic of issues, we will not have a future if decisions continue to be made by people who's salaries are not affected by the decisions they make, the land and consequently agriculture will fail with it most of camp life will collapse.
2	A and C are probably OK but C, whilst laudable, I don't think is realistic

Question 57: If yes to previous question what support and incentive do you believe the Government needs to promote to deliver such?

Answers Completed	Amount
Answered	7
Skipped	87

Water shortages and renewable energy innovation need a real and determined focus. A year-round cross Sound ferry is essential if tourism diversification is going to have any real impact on the economy of West Falkland

I didn't say yes however exploiting natural resources, fish, kelp, Calcified seaweed for land repair

Helping with transport issues for west Falklands

**Giving some priority to Camp, which has been sorely lacking for a long time!
provide specific objectives for itself**

Yes

They need to facilitate securing water sources and storage.

Question 58: Has the Rural Development Strategy (RDS) run its course?

Answer Choices	%	Amount
Yes	56.25%	18
No	28.13%	9
Other (please specify)	15.63%	5
Answered		32
Skipped		62

Five respondents selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	not sure
2	Don't know
3	no idea as had no involvement
4	it hasn't been achieved, and therefore how can it have run its course?
5	n/a no view

Question 59: Should the RDS be reinvigorated and properly funded?

Answer Choices	%	Amount
Yes	40.63%	13
No	46.88%	15
Other (please specify)	12.50%	4
Answered		32
Skipped		62

Four respondents selected Other:

Number	Other (Please Specify)
1	not sure
2	Don't know
3	via RBA possibly?
4	n/a no view

Question 60: Given the Falkland Islands Government tri-directorate "Stock Take" report during the 2022 Farmers week, how do you rate the RBA's ability to influence the following?

	Dismal	Poor	Average	Good	Excellent	Amount
Reducing sheep numbers	0	5	4	0	0	9
Reducing gross wool income	1	4	4	0	0	9
Answered						9
Skipped						85

Question 61: Assuming you are both a land owner and a sheep farmer, how do you think you will manage your business with reducing revenues and declining natural grasslands, to maintain your existing business?

Answers Completed	Amount
Answered	11
Skipped	83

Tourism

keep stock numbers lower. careful grazing. find the ideal "maximum but minimum" No. of sheep to maximise profit whilst reducing costs and not affecting the land

By concentrating on tourism and reducing stock numbers

farmers will go broke

Not possible, a major change in government thinking required on land. natural grasslands do not need to decline.

Put more emphasis on breeding fine wool, select strong maternal instinct in breeding ewes and sustaining a low sheep death rate. Reduce numbers but breed for higher fleece weights thus reducing shearing costs but increasing wool production

N/A

I'm not a land owner or a sheep farmer.

Diversification - running haulage and self catering currently

n/a no view

Find the right customer for our wool

Question 62: Although climate change across the Falklands may not yet be scientifically proven, we are all observing the embedded climate changes, land drying out and historic water tables in decline. Lifelong learning and skills training are key to understanding rural business, but equally climate change, now embedded across the landscape, is impacting the sustainability of sheep numbers and water shortages are impacting nutritious vegetation growth. Which option below best serves your business plan to meet the environmental challenges now apparent?

Answer Choices	%	Amount
Reduce sheep numbers	55.56%	5
Reduce cattle numbers	44.44%	4
Continue to seek micron improvement	22.22%	2
sub-divide large acreages into smaller acreages	44.44%	4
Moisture improve the best lands to maintain existing business value	55.56%	5
Pursue land offsetting to minimise ongoing erosion and await the development to a national carbon capture scheme	55.56%	5
Answered		9
Skipped		85

Question 63: If sheep numbers continue to reduce, and if wool prices plateau, how will your business financially survive?

Answers Completed	Amount
Answered	13
Skipped	81

Fig subsidy

Work off farm

By diversification

not sure

with difficulty

It wont

It won't, hobby farming will be the future with no meaningful agriculture for next generation.

We will survive but there will be no "extra" for training, trials or equipment

N/A

It won't!!!!

Sheep numbers don't impact my business.

It won't

Well

Question 64: Are you prepared to wait until the hardship arrives?

Answer Choices	%	Amount
Yes	18.18%	2
No	54.55%	6
Other (please specify)	27.27%	3
Answered		11
Skipped		83

Three respondents selected Other:

Number	Other (Please Specify)
1	not sure
2	They have arrived
3	N/A

Question 65: Question 65: Are you preparing or would you consider possible future benefits of offsetting least productive peatland to benefit from a carbon sequestration scheme?

Answer Choices	%	Amount
Yes	61.11%	11
No	16.67%	3
Other (please specify)	22.22%	4
Answered		18
Skipped		76

Four respondents selected Other:

Number	Other (Please Specify)
1	not sure
2	We don't have peat lands
3	no, I have fenced off peatlands and they are deteriorating faster than those periodically grazed
4	N/A

Question 66: If yes to previous Question what percentage of your land could you set aside?

Answers Completed	Amount
Answered	6
Skipped	88

70%

Have not quantified this yet. Depends on who is paying to fence around sections

10%

15%

I'm not a land owner.

5

Question 67: Land erosion and consequences of land drying out is increasingly and alarmingly evident. If tools existed for you to financially benefit from a carbon capture scheme by offsetting peatland, would you consider that a long-term sustainable benefit?

Answer Choices	%	Amount
Yes	60.00%	6
No	10.00%	1
Other (please specify)	30.00%	3
Answered		10
Skipped		84

Three respondents selected Other:

Number	Other (Please Specify)
1	maybe
2	The land is dyeing from the top of the small hills / ridges down, set-aside does not stop the decline with such places, only increasing fertility and water retention can stop and reverse this proses, the blaming every land issue on overgrazing is incorrect, the belief that just removing the stock will take everything back a hundred years is also incorrect.
3	N/A

Question 68: Do you think your desire to own land for sheep farming will remain a sustainable and financially viable business?

Answer Choices	%	Amount
Yes	29.41%	5
No	47.06%	8
Other (please specify)	23.53%	4
Answered		17
Skipped		77

Four respondents selected Other:

Number	Other (Please Specify)
1	yes if water flow contained
2	We are already running reduced
3	Yes but it depend on the government getting a grip on reality, land owners can not repair with nothing, it is imposible, we have natural resources that can be used to repair, we have to use them.
4	N/A

Question 69: Do you think a mix of both options (Carbon capture scheme and land for sheep ranching) will deliver financial sustainability for your rural business?

Answer Choices	%	Amount
Yes	40.00%	4
No	30.00%	3
Other (please specify)	30.00%	3
Answered		10
Skipped		84

Three respondents selected Other:

Number	Other (Please Specify)
1	It might
2	The Carbon capture scheme can only be of benefit if all moneys from it go into land repair, if it goes into someone's pocket it will stay there.
3	N/A

Question 70: Are you aware of anything else that has not been highlighted and mentioned in the critical areas of the apparent and increasing climate change?

Answers Completed	Amount
Answered	5
Skipped	89

Water supplies

Climate change is not the problem, Climate change is only having the devastating affect it is due to the failure of FIG departments to help landowners with long term land issues, choosing instead to indulge in fantasy, that is still happening.

Help with creating water catchments and damming ditches to create run offs to keep moisture in the ground

No

The sizes of the farms - the reason for answering the above questions is because our farm is too small to be able to offset anything and reducing sheep numbers will have a big impact as already not able to run enough to survive

Question 71: Resilient and reliable telecommunications are key to sustaining personal health and safety of all who live in Camp and increasingly seen as a tool to undertake business and science focus. Do you believe the current service provision is adequate to meet your business development and personal safety needs?

Answer Choices	%	Amount
Yes	24.00%	6
No	72.00%	18
Other (please specify)	4.00%	1
Answered		25
Skipped		69

One respondent selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	It's an absolute disgrace that FIG should be ashamed of.

Question 72: Do you feel the existing and promised communication provision is sufficiently robust for your personal and business needs?

Answer Choices	%	Amount
Yes	20.83%	5
No	75.00%	18
Other (please specify)	4.17%	1
Answered		24
Skipped		70

One respondent selected Other:

<i>Number</i>	<i>Other (Please Specify)</i>
1	Again, it's an absolute disgrace.

Question 73: If No to previous Question, what improvement in services do you seek?

Answers Completed	Amount
Answered	12
Skipped	82

Mobile cover

Coverage of mobile across all outer islands that have tourists, not just at the accommodation/settlements

Reliability

less cost more speed

Applicable speed/bandwidth and cost, or allowable use of modern systems to provision reliable connection and mobile coverage

Reliable service

better mobile coverage

Increase in reliability - mobile network coverage on west Falklands is shocking and I think it has been lucky that no-one has been in serious danger yet not being able to access mobile

A robust regulator and a contract that's written for the benefit of the development of the Falklands, not absentee owners.

Reliability and coverage

Reliability. This month communications were lost for 6 hours as Sure deleted the 50% of package that remained but forgot to apply the new one.

Question 74: Wool producers currently have two export shipping avenues: the MOD FIRS service and the SAAS service. Which service do you prefer to utilize?

Answer Choices	%	Amount
MOD FIRS	40.00%	4
SAAS	60.00%	6
Answered		10
Skipped		84

Question 75: Which service do you think provides better and quicker access to buyers, and ultimately cash in your bank account?

Answer Choices	%	Amount
MOD FIRS	30.00%	3
SAAS	70.00%	7
Answered		10
Skipped		84