



## Falkland Islands Government

February 2012

**Rural Development Strategy 2012-17**

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## 1. Executive Summary

- 1.1. This, the Falklands' first Rural Development Strategy (RDS), sets out a comprehensive response to the development needs of the Falkland Islands rural hinterland, known locally as Camp. The strategy has been designed to address the needs of Camp over the next 5 years (2012-2017). The strategy provides a route map for the future development of Camp, identifying the policies required to achieve sustainable growth in Camp. A detailed Action Plan for delivery of the strategy will be published in mid-2012 following a period of review and consultation.
- 1.2. It is fully intended that the Rural Development Strategy be an integrated response to the economic, social, environmental and community issues confronting Camp. In doing so it is recognised that the RDS must operate successfully alongside the national Economic Development Strategy (EDS) and must complement and reinforce the aims and objectives of both the EDS and the emerging Tourism Development Strategy (TDS). Fundamentally the RDS is intended to ensure that Camp contributes to, and benefits from, growth of the Falkland Islands economy.

### Key Issues and Opportunities

- 1.3. Camp plays an important role in the social and economic fabric of the Falkland Islands, underpinning important areas of economic activity such as tourism and agriculture. Its natural and cultural heritage adds to quality of life and helps reinforces a sense of place.
- 1.4. However a number of significant issues and opportunities currently confront Camp. The success of the Strategy will depend on its responsiveness to these challenges. The research and consultation undertaken in the preparation of the Strategy suggests that the most pressing of these challenges are:
  - The population of Camp is declining and lacks the critical mass needed to support private sector enterprises providing consumer services (such as retail, entertainment, hairdressing etc). There is a need to improve the delivery of essential services both through growth in private consumer services and in the delivery of essential public sector services such as health and education.
  - The Camp economy is almost entirely dependent on agriculture and tourism. There is a need to extend the breadth of economic activities in Camp through the development of new economic activities and by supporting continued diversification within the agriculture and tourism sectors.
  - Agriculture remains the primary economic activity in Camp. There are opportunities to increase the sustainability and profitability of farming activities by increasing the volume and value of meat and wool production.
  - Whilst the exceptional natural environment and biodiversity in Camp are already well-regarded assets for attracting tourism to the Islands, scope exists for adding value to the Camp tourism product and increasing the profile of the Camp tourism offer.
  - Whilst Camp is home to a number of successful entrepreneurs, there is a need to foster greater levels of entrepreneurship to drive the formation of new businesses in Camp – and to provide the necessary advice, guidance and other support (including access to finance) that entrepreneurs and fledgling business will require to be successful.
  - Scarcity of labour in Camp presents a threat to the sustainability of existing businesses and will constrain any future business growth and new business formation. Low levels of skills also present a barrier to growth.
  - Underdeveloped infrastructure in Camp discourages new investment and new business formation. Improving provision of efficient, reliable and affordable premises, utilities and communications will be essential in seeking to establish new businesses and new industries in Camp.

## The Vision

- 1.5. The process undertaken to produce this strategy (which involved the private sector, government and extensive consultation with those living in Camp) led to the development of the following 'mission statement' for the Falkland Islands Rural Development Strategy:

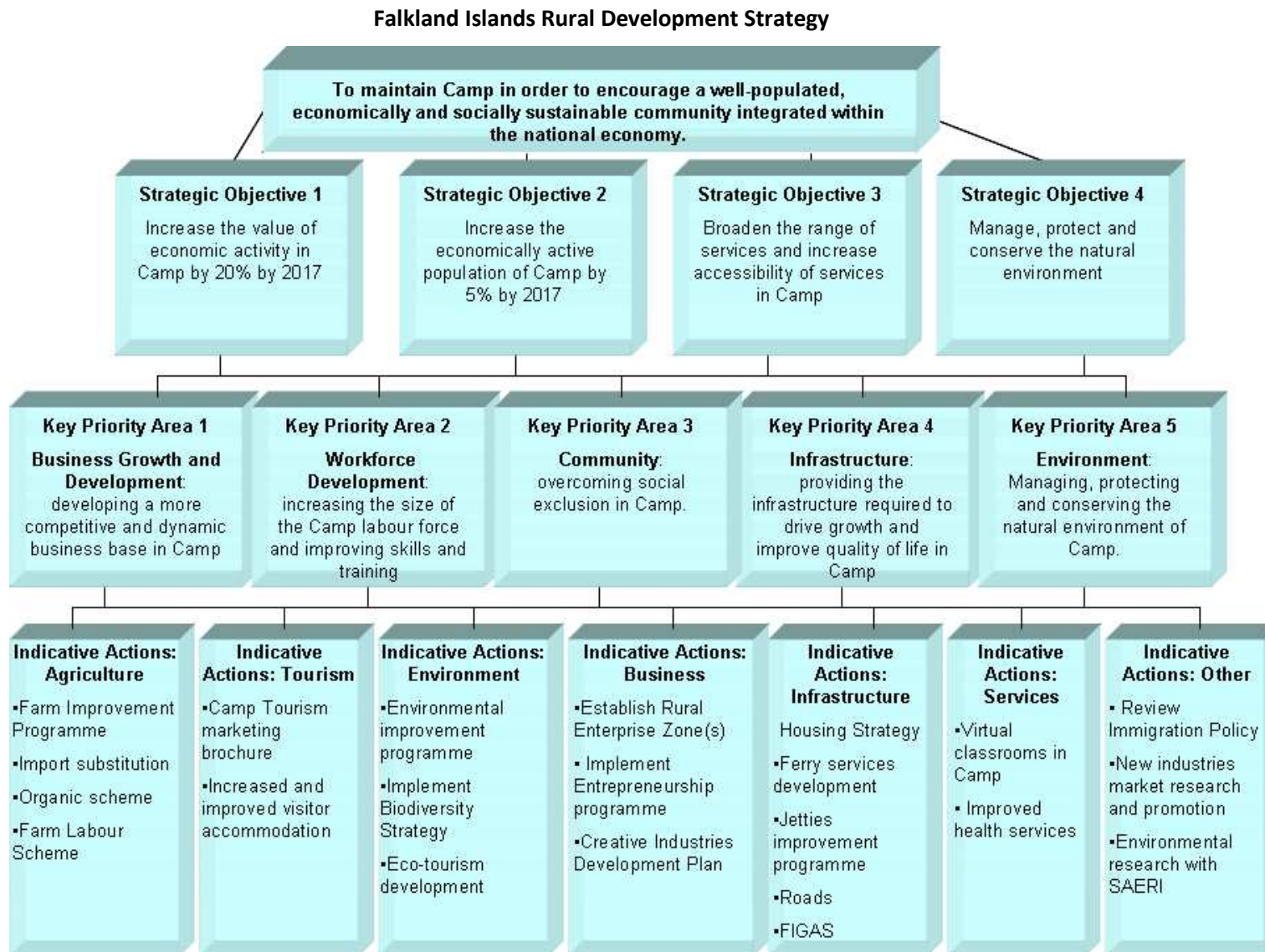
**To maintain Camp in order to encourage a well-populated, economically and socially sustainable community integrated within the national economy.**

## Strategic Objectives

- 1.6. To deliver this Vision, the strategy proposes four overarching strategic objectives:
- **Strategic Objective 1:** To increase the value of economic activity in Camp by 20% by 2017 (measured in terms of Gross Value Added (GVA)) generated in Camp<sup>1</sup>
  - **Strategic Objective 2:** To increase the economically active population of Camp by 5% by 2017
  - **Strategic Objective 3:** To broaden the range of services available in Camp and increase accessibility of both public and private services for Camp residents, so as to lead to an overall improvement in the quality of life in Camp.
  - **Strategic Objective 4:** To manage, protect and conserve the natural environment.
- 1.7. These overarching strategic objectives have been translated into five Key Priority Areas for action:
- **Key Priority Area 1 - Business Growth and Development:** developing a more productive and dynamic business base in Camp
  - **Key Priority Area 2 - Workforce Development:** increasing the size of the Camp labour force and improving skills and training to provide a flexible, adaptive and highly skilled workforce.
  - **Key Priority Area 3 – Services:** improving access to services and expanding service provision to better serve the needs of the current population and to make Camp an attractive destination for new residents.
  - **Key Priority Area 4 - Infrastructure:** providing the infrastructure required to drive growth in the economy and improve the quality of life in Camp.
  - **Key Priority Area 5 – Environment:** Managing, protecting and conserving the natural environment of Camp.
- 1.8. Each priority area is supported by a number of operational objectives that will guide the actions and deployment of resources needed to realise the goals of the strategy. The overall approach is summarised in the following diagram.

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<sup>1</sup> GVA is a measure of the value of the goods and services produced in the economy.



### **Implementation**

- 1.9. The success of the Strategy will depend in large part on developing an effective and collaborative approach to implementation. A Rural Development Strategy Steering Group will be convened to oversee the delivery of the Strategy. The membership of this group will include FIG, private sector and community representatives.
- 1.10. For the Strategy to achieve its full potential it will be necessary to secure funding from potential partner organisations (including the private sector) and other funding sources – such as the European Development Fund. A partnership and collaborative approach will be needed to ensure the successful implementation of the Strategy. The costs of implementing the strategy are expected to be met through investment from FIG and other public and private sector sources.

## 2. Introduction and Background

### Rationale for the Rural Development Strategy

- 2.1. The Islands Plan (2010-2015) sets out the priorities for the Falkland Islands, summarising the ambitions for the Islands' society, economy and environment. The Plan recognises the importance of the rural areas of the Falkland Islands and states a clear objective to "seize opportunities to develop a diversified Camp economy and socially vibrant and sustainable Camp economy".
- 2.2. This objective is reinforced in the Economic Development Strategy for the Islands which recognises the relative isolation of Camp, and the impediments to economic growth and social cohesion that arise from the underdeveloped infrastructure in Camp. The EDS calls for action to address poor infrastructure and labour shortages in Camp, and to develop new industries to diversify the economy and encourage population growth – actions that are now codified in this Rural Development Strategy.
- 2.3. The Rural Development Strategy presents an integrated approach to the development Camp building on the aims and objectives set out in the Islands Plan and the Economic Development Strategy. It summarises the key policy objectives for Camp and identifies the priorities for action and a series of specific projects. It is intended to be a tool to guide investment to ensure that the economic and social issues facing Camp are addressed.

### Current Situation and Problems to be Addressed

- 2.4. Camp and farming were once synonymous, however Camp now describes the geographical location and not the economic activity undertaken in this location. Camp includes the entire rural hinterland of the Falklands extending to approximately 2,168 square kilometres. The population of 363 (almost 15% of the total population of the Islands) is widely dispersed across East and West Falkland and nine inhabited islands.

#### *Population*

- 2.5. At the time of the last full Census of population in 2006, the total population of Camp was 363, representing 14.6% of the total resident population of the Falkland Islands<sup>2</sup>. The population density of Camp is 0.15 inhabitants per square kilometre compared to Stanley's 423 inhabitants per square kilometre. There are three main Camp settlements on West Falkland (Fox Bay, Port Howard and Hill Cove) and three on East Falkland (Goose Green, North Arm, and Fitzroy) with the largest on the West having a population less than 25 and the largest East settlement having a population of less than 40.
- 2.6. Whilst the total Falklands population increased by 4% between 2001 and 2006, the Camp population decreased by 7% (down from 390 in 2001). This is a result of low birth rates and a trend of out-migration from Camp, driven in part by the greater economic and social opportunities available in Stanley. The outer islands bucked this trend, with a small increase in population from 38 to 42 over the same period.
- 2.7. The decline in the population of Camp is coupled with an ageing of the population. The proportion of men over the age of 40 in Camp increased from 52% in 2001 to 62% in 2006 (compared to only 46% in Stanley), indicating that Camp has an older and faster ageing population.

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<sup>2</sup> Based on a total resident population of 2,478 – a figure which excludes persons present in connection with the military garrison at Mount Pleasant.

## ***Labour Force***

### ***Employment***

- 2.8. 11% of the total Falkland Islands workforce is employed by Camp related businesses, of which 73% are employed directly in agriculture. The majority of businesses located in camp are micro-enterprises with one, two or three employees with most businesses tending to be family run.
- 2.9. Average wages for agricultural employees in Camp are typically lower than those earned in Stanley. The average wage of agricultural employees is approximately £10,000 per annum, compared to almost £18,000 in Stanley. Many agricultural employees receive additional benefits in kind over and above this basic wage (e.g. rent free accommodation, fuel etc) with an estimated average value of £5-6,000 per employee.
- 2.10. Most farming activity takes place during the summer months (September to March) and as a result there is much seasonality associated with employment in Camp. This period is also the core tourist season and as such there is competition for labour during the summer months. 27% of the Camp workforce earns income from non-agricultural activities, reflecting the additional activities that many undertake to supplement their incomes.
- 2.11. Conversely, the fishing industry follows a different cycle with most fishing activity taking place between April and September, providing additional sources of employment, such as stevedoring, for agricultural workers during the winter months.

### ***Self-employment***

- 2.12. There are high levels of self-employment in Camp, reflecting the nature of business activities that take place there. In 2006, a total of 131 Camp residents indicated that they were self-employed – equating to more than a two fifths (42%) of the total adult population of Camp. This compares to a rate of 11% in Stanley.

### ***Unemployment***

- 2.13. There is a very high level of participation in the workforce in Camp and negligible unemployment. The only method available for assessing unemployment in Camp is to assess the number of people from Camp admitted to the FIG Training Centre's "Entry to Work" programme. The FIG Training Centre estimates unemployment to be less than 1% of the Camp workforce, which is in line with the average for the whole of the Falklands.
- 2.14. Individuals living in Camp are eligible to apply to the scheme but they are not eligible for the "key skills" training available through the centre unless they travel to Stanley. There is no formal "job shop" which advertises job opportunities in Camp. Opportunities which do arise are usually discussed through informal social and business networks.

### ***Educational Attainment***

- 2.15. Levels of educational attainment in Camp are low compared to those found in Stanley. In 2006, only 29% of Camp residents held recognised qualifications at secondary school level (compared to 44% in Stanley).

## ***Profile of Economic Activities in Camp***

- 2.16. The total value of the Camp economy (Gross Value Added) has been estimated to be in the region of £3.8m. Improvements in statistical data collection are needed to ensure that the value of the Camp economy can be better measured in future.
- 2.17. Key contributors to the Camp economy are Agriculture and Tourism, though a number of other economic activities are present as discussed below.



Agriculture

- 2.18. Agriculture remains the dominant source of income in Camp, accounting for an average of 63% of whole farm income. As the dominant source of income and the dominant employer, agriculture remains the foundation of the Camp economy and social environment.
- 2.19. The GVA of the agricultural sector was £2.3m in 2007. The value of the sector has increased in recent years (with an annual compound growth rate of 3.6%). This is mainly a result of an increase in the value of wool and an increase in the income generated from the meat industry (lamb and mutton). Wool remains the dominant source of income within agriculture.
- 2.20. Agriculture is the Falklands second largest export earner (after fisheries) with revenues of £2.3m. The export industry helps to stabilise the country’s balance of payments which is effectively a measure of how we perform on a global stage. If we can successfully sell more goods and services overseas, the rise in exports will boost national income and will have a positive multiplier effect on the national income, output and employment.
- 2.21. Primary agriculture has also has a wider influence on the Camp economy arising from links with related rural businesses such as shearing, agricultural contracting and FIMCo. The sector is also critical to the preservation of cultural and environmental assets on which the tourism sector relies. Farm owners are also at the forefront of land stewardship, playing a role in the environmental management of the Islands.

Tourism

- 2.22. Tourism follows agriculture in terms of value, accounting for an estimated 17% of whole farm income, and is worth as estimated £0.625m in terms of Camp GVA. There is some regional variation in the importance of tourism with the Outer Islands generating a greater share of tourism income (41% of the total).
- 2.23. Currently, tourism in Camp is mainly limited to the provision of accommodation and excursions. Excluding lodges, much of the tourism accommodation can be classed as basic. As a result, value for money is low when considered in a global context.

Tourism Receipts in Camp		
Type of Tourism	Value (£m)	Camp Share of FI Total (%)
Cruise (Day Visitors)	1.2	32
Air (Overnight Visitors)	1.2	38
Domestic (Residents)	0.6	55
<b>Total</b>	<b>3.0m</b>	<b>100</b>

Source: Acorn

- 2.24. Acorn estimates that 60% of total cruise ship passenger-spend on excursions goes directly to the Camp economy. This is estimated to have generated around £1 million in income for Camp during the 2008-09 season. In addition, Camp derives an estimated £200,000 in landing fees. The total cruise passenger direct contribution to the Camp economy is estimated at £1.2 million per annum – equivalent to 32% of total cruise passenger spend in the Falklands.
- 2.25. The total overnight visitor direct contribution to the Camp economy is estimated at £1.2 million per annum. This represents 37.4% of total (air) overnight visitor spend in the Falklands.
- 2.26. The total domestic tourism direct contribution to the Camp economy is estimated at £0.6 million per annum. 55% of the total domestic tourism expenditure in the Falklands is attributed to economic activity in Camp.

### Services

- 2.27. Camp is also home to a range of other services (beyond those directly related to agriculture). However the range of services available is limited - there are no banks, taxis, restaurants, accountants, plant or machinery hire, or established resident trades people such as mechanics, plumbers or builders. There are some limited retail opportunities.
- 2.28. The total GVA of the Camp service sector is estimated to be in the region of £0.5m<sup>3</sup>. Principally this relates to construction, haulage, retail, and creative and cultural industries operating in Camp. Based on local information, construction has been estimated to be the third largest employer in Camp after agriculture and tourism, followed by retail, haulage and creative industries.
- 2.29. Whilst there are few public sector jobs currently based in Camp, public services play a significant role in supporting the Camp economy through services such as the Falkland Islands Government Air Service (FIGAS), coastal shipping, and road maintenance. These are discussed further below in relation to Camp infrastructure and access to public services.

#### ***Access to finance in Camp***

The absence of banking facilities in Camp is compounded by problems businesses and potential entrepreneurs face when seeking to access finance at the country's only bank – Standard Chartered Bank (SCB) in Stanley. Whilst SCB is keen to increase its commercial lending portfolio for Camp-based businesses, the lack of formal market-based land valuations prevent them from doing so, as they have no basis on which to assess any collateral assets that a borrower may have to act as security against any loan that could be made.

FIG currently provides SCB with a loan guarantee of 50% in respect of loans for residential properties in Camp, when the house will be the primary residence. This funding is not available for second homes, holiday homes, buy to let properties, offices or other commercial properties.

As a result, there is very little finance available for growth and expansion of businesses in Camp and for diversification. The Falkland Islands Development Corporation (FIDC) offers Business Development Loans and is currently the only lender available for Camp-related businesses when a formal land valuation is required. FIDC also run a Tourism Improvement Grants programme offering 50% grants for improvement costs for tourism investments.

### Fisheries

- 2.30. The value of this sector to the Falkland Islands is £65m, which accounts for 60% of the Falklands' GDP, though there is limited fishery sector activity undertaken in Camp. A number of Camp residents are involved in fishing companies as Directors or shareholders and a number of farmers supply meat to fishing vessels. The squid fishery stevedoring business is owned and managed by Camp-based businessmen, who are also farmers.

### New Industries

- 2.31. Due to the small size of the Camp market, Camp businesses generally export their goods either overseas (e.g. wool and meat) or to Stanley. It is likely that new businesses will follow this pattern.
- 2.32. Growth in the Camp population will support organic growth in existing services and will provide new opportunities for new services, goods and products to be provided locally.
- 2.33. Further work is needed to assess the viability of new industries in Camp – and to assist potential entrepreneurs who may have innovative business ideas. FIDC is currently researching the feasibility

<sup>3</sup> It is not currently possible to obtain accurate data on employment and output in Camp service industries. The Falkland Islands Government's Policy Unit will address the short comings in the future.

of new forms of aquaculture in the Falklands. Although the project is a work in progress, it is estimated that aquaculture could sustain additional jobs in the Islands.

### ***Access to Services***

- 2.34. Due to the small and dispersed population of Camp, the provision of public services is both difficult and costly and as a result the range of public services currently available in Camp is limited. There are limited recreational facilities, and no library services or medical centres. In addition, there is no public utility provision such as water, sewage and power, with the exception of Fox Bay which has power supplied by FIG at Stanley prices.

### ***Education***

- 2.35. There are two Camp settlement schools on East Falkland - at Goose Green and North Arm – that provide primary education. There are no schools currently open on West Falkland or on the Islands.
- 2.36. Primary school lessons are provided through a combination of travelling teachers and telephone lessons. A full-time telephone teacher and an outreach resource centre are currently located at Fox Bay. This centre could easily revert to being a school if future numbers warrant it.
- 2.37. During Year 5 (9 – 10 years), most Camp children travel to Stanley (residing at Stanley House) to attend the Infant Junior School full-time where they complete their primary education, and then continue into secondary education at the Falkland Islands Community School (FICS).

### ***Health***

- 2.38. Healthcare to the remote farm settlements is provided via the King Edward Memorial Hospital in Stanley via telephone consultations with GPs and six weekly visits by doctors who visit residents' homes as needed. In an emergency situation a patient is evacuated to Stanley using a Search and Rescue Helicopter.

### ***Infrastructure***

- 2.39. Rural settlements are connected to each other and to Stanley via a road network, ferry, a local air service and a coastal shipping service.

### ***Roads***

- 2.40. The Camp road network is not yet complete, with a few roads left to build. The absence of capping on some of the roads hinders economic activity, accelerates their erosion and raises concerns over road safety for both residents and visitors. The road network requires a large amount of annual maintenance, the majority of which is undertaken in summer. Maintenance is undertaken by a road gang who reside temporarily in Camp whilst the work is undertaken. In winter, in the absence of regular maintenance, the quality of the roads diminishes significantly making all types of travel difficult.
- 2.41. The introduction of the ferry service between East and West Falkland has increased road usage from heavy commercial traffic, which is accelerating degradation of the road network, particularly along the main Fox Bay-Port Howard artery and the Stanley-Goose Green artery. In the absence of capping, the heavy volumes of trucking have shortened the predicted useful life of the road system.

### ***Shipping and Ferry Services***

- 2.42. The vessel Concordia Bay, operated by Workboat Services Ltd, was introduced in July 2008 to provide a ferry service, a coastal shipping service for the outer islands, and a private charter contract service. The ferry service also carries commercial traffic such as the haulage of wool and livestock.
- 2.43. The ferry service serves the Falklands' business sector and the wider community. The coastal shipping service provides a vital link for the outer islands bringing freight including stores, mail,

machinery and fuel. It also provides bulk fuel delivery to Fox Bay. For the three Outer Islands that do not have an air link, the Concordia Bay is an essential service.

- 2.44. The jetties at Port Howard and Newhaven are the main ports for the ferry service. The Concordia Bay also visits Fox Bay jetty to discharge bulk fuel. These three jetties are, and will continue to be, maintained. If for any reason the road network is unusable or impassable, the Concordia Bay is able to intervene as required. Only the outer islands' jetties receive regular maintenance. No other jetties at farm settlements receive maintenance.

#### Airstrips

- 2.45. The Falkland Island Government Air Service (FIGAS) provides an air link to almost every farm on West Falkland, seven farms on East Falkland and to six of the nine inhabited Islands. The air service carries and delivers cargo, people, small animals and is used for medical emergencies. It is the main mode of transport for overseas visitors travelling within the Islands. Airstrips are maintained by local landowners.

#### Housing

- 2.46. The vast majority of housing in Camp is privately owned. There are very few unoccupied and available properties in Camp for rental or for purchase, and the 2006 Census showed a decline in the number of dwellings in Camp (at 187 compared to 195 in 2001). Most dwellings in Camp are more than 30 years old.

#### Power

- 2.47. Individual and privately-owned renewable energy power systems are installed in an estimated 80% of Camp businesses and homes. These systems have helped to reduce fuel costs in Camp and have led to a general improvement in the quality of life in Camp.
- 2.48. Funding support is still available for the installation of new systems, however the repair and maintenance of existing systems is not and remains the responsibility of the owners. An analysis of 24 hour power systems in Camp undertaken in October 2009 reported that although many systems are reaching the end of their expected life, they continue to perform satisfactorily.

#### **Environment**

- 2.49. The Falkland Islands Government, through Falklands Landholdings Corporation, owns and runs the farms of Fitzroy, Goose Green, Walker Creek and North Arm. Excluding the land owned by Falkland Landholdings, the vast majority of land in Camp is owned privately. Of the 88 farms in the Falklands, five are foreign-owned, accounting for six percent of the total Falklands agricultural land. There are 17 designated National Nature Reserves (NNR's), all but one of which are located on privately owned land.
- 2.50. The environment of the Falkland Islands and the wildlife and habitats it supports are of national and international importance. The Falklands has 22 internationally recognised Important Bird Areas (IBAs); 2 internationally recognised Important Wetland Areas (RAMSAR sites); 12 internationally recognised Important Plant Areas (IPAs) and a pristine shallow marine environment which is largely unexplored.
- 2.51. The quality of the Falkland Islands environment and the biodiversity it supports are important contributors to the identity of the people who live in the Falkland Islands and underpin the wealth of the economy. Our land and oceanic ecosystems, habitats, wildlife and vegetation are diverse and of international importance. FIG's Biodiversity Strategy will guide how the environment will be managed successfully.

### 3. Aims and Objectives of the Strategy

#### Guiding Principles

- 3.1. In order to respond to changes in the economy and changes in priorities, the delivery of the RDS will be proactive and dynamic. As such, the following four principles will be applied to its delivery:
- **Community engagement and ownership** of the RDS is critical. The principle of community engagement envisages a key role for the community of Camp to participate in decision-making, local level planning and resource allocation related to the RDS. Community engagement will be essential to the success of the strategy in influencing the development and design of projects, initiating project ideas and ultimately delivering key actions.
  - **Joined-up working across the public sector is required.** Government sees the whole of the public sector having a critical role to play in achieving the objectives of the RDS. The delivery of the RDS will be coordinated and collaborative, and guidance will be provided to those departments and organisations that make decisions affecting the rural economy. This will help ensure rural priorities are taken into consideration in developing government policy and there is policy coherence between departments about rural objectives.
  - **Positive and effective integration with the EDS.** The EDS and RDS will work in parallel to achieve growth in the national economy. It is envisaged that the RDS will harness the opportunities for Camp that are identified in the EDS, and will strive to avoid duplication of effort and avoid conflict and contradiction.
  - **Growth poles.** The RDS envisages that the focus of public and private sector effort and resources will be concentrated in selected “growth poles” in order to achieve maximise positive impact. This approach will seek to ensure that the RDS builds on the existing strengths of Camp and focuses effort in specific areas with the greatest potential so as to build a critical mass for the delivery of services and increase the overall sustainability of Camp.

#### Mission Statement

- 3.2. Based on the challenges facing Camp and the guiding principles above, the overall mission statement for the Rural Development Strategy is:

**To maintain Camp in order to encourage a well-populated, economically and socially sustainable community integrated within the national economy.**

#### Strategic Objectives

- 3.3. In order to achieve the RDS and Islands Plan Vision of “a well populated, economically and socially sustainable community”, economic growth is required. The foundations of the Camp economy need to be stabilised, and new sources of economic activity need to found. In order to build solid foundations the RDS will address the immediate issues facing Camp to reverse the trend of depopulation, increase the provision and accessibility of services, and improve community and physical infrastructure.
- 3.4. To begin the process of realising the vision for the RDS, four overarching strategic objectives have been identified, as set out below:
- **Strategic Objective 1:** To increase the value of economic activity in Camp by 20% by 2017 (measured in terms of Gross Value Added (GVA) generated in Camp)

- = The RDS's challenge is to increase the size, scope, competitive strength, and ambition of Camp's businesses in order to achieve an increase in GVA and long term sustainability. This will be measured through the value of output produced by Camp businesses in terms of Gross Value Added (GVA).
    - = As well as increasing the total volume of economic activity in Camp, we also wish to increase productivity. Existing businesses must continually improve their products and services and adopt better methods of production. We will support this through the continued implementation of pasture improvement programmes and improved stock management processes in agriculture; through increased access to and provision of skills and training; and by maximising the potential of ICT.
  - **Strategic Objective 2:** To increase the economically active population of Camp by 5% by 2017
    - = The number of people working and living in Camp also needs to increase. Through the Strategy we hope to achieve a sustainable increase in the Camp population.
  - **Strategic Objective 3:** To broaden the range of services available in Camp and increase accessibility of both public and private services for Camp residents, so as to lead to an overall improvement in the quality of life in Camp.
    - = Improving quality of life in Camp will require a multi-faceted approach. The priority is to ensure Camp residents achieve improvements in material conditions through improved access to services. The focus on improving the provision of and access to key services will raise the quality of life in Camp and will help create an attractive environment for both current and future residents.
  - **Strategic Objective 4:** To manage, protect and conserve the natural environment.
    - = Consistent with the aims of the Falkland Islands Biodiversity Strategy, the RDS will seek to ensure that we conserve and enhance the natural diversity, ecological processes and heritage of the Falkland Islands. The protection, maintenance and enhancement of the natural environment is a cross-cutting theme across the RDS.
- 3.5. These overarching strategic objectives have been translated into five Key Priority Areas for action. Each of these is discussed in more detail below.

## Key Priority Areas

### ***Key Priority Area 1 - Business Growth and Development: developing a more productive and dynamic business base in Camp***

#### *Increasing the productivity of existing businesses*

- 3.6. The unemployment rate in Camp is virtually nil which suggests that everyone is engaged in some kind of economic activity. Productivity can be increased through the application of creativity, innovation, teamwork and by making better use of our land and livestock.
- 3.7. In agriculture we will seek to maximise productive capacity of the land through pasture improvement and continue efforts to improve farm management procedures. In all sectors we will improve the availability and accessibility of skills and training to ensure that the workforce is equipped to drive productivity improvements.

#### *Increasing the new business start up rate in Camp*

- 3.8. New businesses are vital as a source of wealth, jobs, innovation and productivity. It is the creation of new businesses which will create the employment needed to drive the growth of the Camp economy and support an increased population.
- 3.9. Therefore it is essential that we develop the business base of Camp and increase entrepreneurship to increase overall economic performance. The greater the spirit of entrepreneurialism, the more businesses will be started. However, the issue is not simply that of raising start-up rates – but to increase start-up rates in businesses that are likely to grow, hence the objective is to create an environment where a greater proportion of businesses survive and thrive.
- 3.10. The Strategy will focus on fostering a culture of entrepreneurialism and in ensuring the provision of business advice to support the survival and growth of new businesses. We will also seek to overcome the difficulties faced in accessing finance for new business creation and investment in existing businesses.

#### *Supporting new industries*

- 3.11. In addition to increasing the number of new businesses, the RDS aims to increase the range and type of businesses operating in Camp. This includes a focus on developing new economic activities for Camp, and also on increasing the range and accessibility of both private and public sector service provision in Camp.
- 3.12. To achieve this we will improve understanding of and access to new markets and opportunities, and provide support for entrepreneurs and existing businesses on potential opportunities for new economic activities in Camp.

#### *Supporting Innovation and Research*

- 3.13. The RDS will support and encourage innovation within the private sector. Innovation and research and development provide the knowledge that businesses need to grow. Research can be undertaken to gain information about markets, about technology, new techniques or practices, new or altered products and services, or new areas of economic activity.

#### *Creating Rural Enterprise Zones*

- 3.14. To encourage and facilitate the growth of new economic activities and new businesses in Camp, we intend to establish a Rural Enterprise Zone (REZ). The purpose of the Zone will be to encourage and reward business creation, job creation and investment in Camp through the provision of tax, finance, and other business incentives to encourage businesses to locate and expand in Camp.
- 3.15. The REZ would see FIG and the private sector working together to develop the basic infrastructure needed for the REZ, and would also encourage and support community-based projects, such as co-operatives or community firms. Such a Zone(s) would also require the active involvement of the private sector.

***Key Priority Area 2 - Workforce Development: increasing the size of the Camp labour force and improving skills and training to provide a flexible, adaptive and highly skilled workforce.***

- 3.16. Education and skills make a vital contribution to driving long-term economic growth by improving productivity, entrepreneurialism and the employability of individuals. As well as the specific areas for action highlighted below, achieving the full potential of Camp will require a supportive and enabling immigration policy.

*Improve the skills and education of the Camp labour force*

- 3.17. In order to encourage businesses and individuals to perform at the highest level, to encourage entrepreneurship, and to increase the rate of business starts ups, the education and skills of the workforce need to improve. We will achieve this through activities designed to raise employer awareness of the need for training and increasing employer access to training through the provision of training grants. We will also provide targeted advice on business and training planning to established businesses in Camp and to the self-employed and new business start-ups.
- 3.18. Improving education for our young people in Camp requires an innovative approach in the face of the challenging Camp environment. We will continue to develop and expand the provision of virtual classrooms in Camp and explore other means of maximising the role of ICT in education. Provision of improved careers advice for young people will also help foster increased levels of ambition and we will seek to equip our young people with the confidence, knowledge and skills to establish new businesses.
- 3.19. We should aim to make the most of our graduates so that we can gain from their experience, enthusiasm and ambition while also ensuring they are stimulated and challenged and have the opportunity to pursue their aspirations. We wish to encourage and support graduates to return to the Islands after completing their studies and work experience overseas.

*Grow the size of the Camp labour force*

- 3.20. Migration and immigration form the foundation on which the RDS will aim to accelerate the rate of growth of the Camp labour force. The Camp population is declining and ageing and the birth rate is low. Immigration is therefore necessary to grow the number of people living and working in Camp.
- 3.21. The rural landscape makes a big contribution to the Falkland Islands attractiveness. The migrant and immigrant business community and new businesses are likely to be attracted to Camp as a result of the distinct lifestyle offering of the Falkland Islands.
- 3.22. Immigration Policy should at first provide for facilitating the re-establishment of those people with a connection to the Islands, such as Islanders living overseas, Status holders and PRP holders living overseas, ex-contract workers and friends and family of residents. Targeted marketing to attract people and businesses to the Islands will be required.



***Key Priority Area 3 – Services: improving access to services and expanding service provision to better serve the needs of the current population and to make Camp an attractive destination for new residents.***

- 3.23. We wish to support the development of a vibrant, cohesive, and flourishing Camp community which is able to stem the trend of depopulation and attract more residents. As well as overcoming the economic issues facing Camp it is also necessary to address the lack of social and community infrastructure and to improve the quality of life for those living in Camp.

***Improve access to services and the attractiveness of growth poles***

- 3.24. Improving social cohesion in Camp requires that improvements are made to the range and accessibility of services (both public and private sector) in Camp. We will ensure that the current health services are maintained, and will continue to seek improvements in the delivery of skills and education in Camp. The work to encourage new business growth and the creation of Rural Enterprise Zones will encourage and facilitate the increased provision of private sector services in Camp.
- 3.25. We also wish to support investment in community infrastructure. We wish to work with local communities to identify and deliver a plan of environmental works to improve the visual amenity and attractiveness of Camp, and to support the development of new community facilities such as community halls and other facilities that the community needs or desires.

***Improve social inclusion***

- 3.26. There are many contributing aspects of life which work together to create cohesive, sustainable populations. Social deprivation or “social exclusion” can lead to individuals feeling disempowerment in the first instance, then disengagement and disenchantment. By addressing “deprivation” communities become more able to grasp opportunities and are more self-reliant; become more confident and gain more skills; this in turn generates greater social benefits and develop business strengths.
- 3.27. As a first step towards this we wish to ensure that the rural population plays an active role in the delivery of the Rural Development Strategy. We wish to engage local people in the oversight of the delivery of the strategy and in bringing forward specific project proposals, as well as in monitoring its achievements.

***Key Priority Area 4 - Infrastructure: providing the infrastructure required to drive growth in the economy and improve the quality of life in Camp***

- 3.28. Reliable, well maintained infrastructure is a fundamental requirement to enable growth in the economy and in enhancing quality of life in Camp. We wish to ensure that Camp infrastructure is fit for purpose, effective, and managed efficiently, and that the future infrastructure needed to progress the development of the economy is identified and assessed, and that recommendations for delivery are made in a timely manner.

***Camp infrastructure will be fit for purpose***

- 3.29. Improving infrastructure allows; businesses to become more productive, new businesses to be created, existing businesses to expand, social networks strengthened and the sense of isolation to be reduced. Effective infrastructure reduces travel time, costs and distance to markets and improves business efficiency, productivity and profitability.
- 3.30. We aim to achieve this by improving road signage, improving the reliability and accessibility of ICT in Camp, and by ensuring that the housing needs of Camp are met. Road infrastructure needs will be addressed through other groups.

***Key Priority Area 5 – Environment: Managing, protecting and conserving the natural environment of Camp.***

- 3.31. The environment of the Falkland Islands and the wildlife and habitats it supports are of national and international importance. The Falklands has 22 internationally recognised Important Bird Areas (IBAs); 2 internationally recognised Important Wetland Areas (RAMSAR sites); 12 internationally recognised Important Plant Areas (IPAs) and a pristine shallow marine environment which is largely unexplored. The value of our collective natural assets differentiates us from other countries and acts as a valuable tool when marketing ourselves as a visitor destination and as an attractive location in which to live and work.
- 3.32. Many sectors of the economy such as fisheries, agriculture, tourism and minerals are based upon the use of natural resources. Good stewardship of our environment is therefore a fundamental requirement in the development of the economy.
- 3.33. Through this strategy we wish to continue the programme of improved environmental management and stewardship in our agriculture and tourism industries. We will support new economic activities which seek to make the most of the unique natural environment of the Islands, whilst ensuring its conservation and protection through the Biodiversity Strategy.