

**LEGISLATIVE ASSEMBLY
OF THE
FALKLAND ISLANDS**



**RECORD OF THE
SELECT COMMITTEE ON THE PETITION

HELD ON FRIDAY 20 SEPTEMBER 2024
IN COURT & ASSEMBLY CHAMBERS**

Select Committee on the Petition

Friday 20 September 2024

Court & Assembly Chambers

Attendance:

Elected Members

The Honourable Roger Spink, Chair
The Honourable Leona Roberts, Vice Chair (Via videoconference)
The Honourable Teslyn Barkman
The Honourable Peter Biggs
The Honourable John Birmingham
The Honourable Jack Ford
The Honourable Mark Pollard (Via videoconference)
The Honourable Gavin Short

Officers

Miss Ros Cheek, Statute Law Commissioner (Legal Advisor to the Committee)
Mr David Rogerson, Telecommunications Consultant and Technical Advisor to the Committee
(Via videoconference)
Mrs Cherie Clifford, Clerk of the Legislative Assembly

Oral Evidence

Youth Parliament:

Alexia Davis
Ramiz Rao
Eirine Kamoto
Harry Lockley
Micah Joseph- Hersey
Daniel Lee

Simon Young, Regulator (Attorney General)
Becky Clark, Director Development and Commercial Services

Press & Public

Press – FITV and FIRS
Public – 5 (includes 2 by via videoconference)

Select Committee on the Petition
20 September 2024

The Honourable Roger Spink

Welcome everybody to the Select Committee on the Petition, in the Court and Assembly Chambers this morning, and I'd like to open the session with the consideration of oral evidence. So first off, we have the Youth Parliament. I'm not sure whether or not the names on here are in the order that you'd like to come up. But if you, if you'd like to just come up in the order that you prefer, give your oral evidence, and then give an opportunity for members to ask you any questions as well afterwards. So if the first person would like to step forward, please, if you'd like to just say your name as well.

Alexia Davies

Good morning, ladies and gentlemen. My name is Alexia Davis, and I'm one of the many Youth Parliament representatives here today. I would like to start off with a huge thank you to everyone for giving us the opportunity to come here, to come here today. We all share the common belief that the voices of young people across the island should be heard, and it means everything to us to be able to stand here, to be able to stand here today and represent the youth community of the Falklands when it comes to thoughts on the internet. I'd now like to present my youth parliament peers, Ramiz Rao, Harry Lockley, Eirine Kamoto, Micah Joseph-Hersey and Daniel Lee. They'll be coming up in that order.

Ramiz Rao

Good morning. It is no secret the internet is a problem here in the Falklands, but I think to get a better understanding of the internet quality that Sure's providing us, we need to talk about the internet speed.

On September the first, Sure announced a new upgrade to the internet packages. Each package offers more data, and Sure even added two unlimited packages, one slower than the other, which, Sure on their website, has claimed to apparently reach speeds of 10 and 15 megabits per second respectively.

However, in reality, those speeds are most certainly not the case. My household uses the 15 megabits per second package, and I rarely get speeds above four megabits per second. Perhaps it may vary from household to household, but I think we all know that Sure are not delivering on their claims, in fact, they're not even close.

However, let's imagine this upgrade was an improvement. Let's imagine the internet did become a little faster than last time. Well, even if that was the case, this is just Sure's plan for the long term, as long as they keep making these small, incremental improvements, they will survive. The reason

behind this is that when an upgrade comes around, people gain a little bit of happiness, perhaps even some excitement. But over time, that all goes away when people realize there's still very poor internet and then complaints come around again, and tensions arise. So, what do Sure do? They just make another small, incremental upgrade to yet again, temporarily satisfy everyone. This cannot continue.

And with slow internet comes problems, lots of problems. And before I hand it over to my peers, I will start by addressing one of the first issues, leisure. Things like streaming videos on platforms such as YouTube and Netflix, gaming on a console, or even just browsing the internet, is extremely slow. When watching a video, it's not surprising when it buffers or at times, doesn't even load at all. In fact, on a movie night with my family, before watching anything, we go around the house to make sure all of the devices internet connections are off.

Don't even get me started on online gaming. For the most part, online gaming becomes practically impossible to do, with how laggy is and any updates would take days. I will now pass it over to Harry.

The Honourable Roger Spink

Thank you very much.

Harry Lockley

Good morning. My name is Harry Lockley.

Broadband prices, as you all may know, are expensive, however, are too high and at a cost which is inaccessible for many. The previous Sure packages were extremely frustrating with limited quotas, low speeds and an expensive price. However, we had no other option but to pay a higher cost for a limited service. Starlink is the only alternative option. However, even this has been made inaccessible for most with its large VSAT license cost. This creates a barrier to get an affordable good service.

Sure has recently launched new packages, which may be ideal for some, however, yet again, has left people with a legal but costly service with the only unlimited options at an extremely high price with low speeds, when the rest of the world is moving forward. Although this was progress, many believe it was well overdue, and I'd agree, for such a high price, you may be looking for some bonus features. Instead, you have five gigabyte data caps at hot spots each month, and speeds which definitely underserve the promised speeds.

This creates a barrier for customers and businesses paying an expensive service fee to utilizing these packages, proper connection and solutions such as Starlink are the future and are designed to connect remote places like the Falkland Islands at a reasonable price and to allow them to access the technology of today. Services like this provide high speeds, unlimited quotas, a

customizable service at a much lower cost. Providing regulatory approval and reducing or abolishing the license fee is crucial for people to access better services now and break the current barrier to accessing and utilizing the technology of the future and today.

The Honourable Roger Spink

Thank you very much indeed.

Eirine Kamoto

Good morning, my name is Eirine Kamoto. Today I'm going to talk about how the internet is crucial in the context of interviews and college applications. In this digital age, the internet is no longer just a tool for entertainment or casual browsing; it has become an essential platform for communication, work and education.

One of the most critical areas where internet access plays a vital role is in interviews, whether you're applying for an internship, a part-time job or even a full-time position after graduation, whether you're, virtual interviews have become the norm. More than ever, employers and educational institutions are relying on online platforms for face-to-face conversations, eliminating geographical barriers and making it easier to connect with candidates from all over the world.

However, what happens if your internet is unstable? A poor connection can disrupt the flow of an interview, cause misunderstandings, or worse, lead to the perception that you are unprepared or unprofessional. Imagine losing audio or video during a key moment in your interview, or even being dropped from the meeting entirely. It can easily derail what could have been a great opportunity to make a lasting impression.

Now, let's talk about college applications, in the current academic landscape, many universities and colleges are using online platforms to manage online applications. Students submit essays, academic transcripts and letters of recommendation to online quarters. They also schedule interviews and you can complete virtual campus tours.

The reliance on the internet in these processes is undeniable. A poor or inconsistent internet access can be devastating. Imagine missing a crucial deadline for submitting an application or experiencing a technical issue while uploading your personal statement. Something as simple as a dropped connection can result in a missed opportunity that can affect your educational career.

This brings us to a larger issue, how internet access is linked to educational equity, in many areas, especially in camp, people of all different ages who want to complete further education do not have access to reliable internet. This digital divide creates an unfair disadvantage for those who are otherwise qualified for these opportunities but simply do not have the technological resources to compete on a level playing field.

In a world where education and equality are increasingly intertwined with a digital space, access to reliable internet has become more than just a convenience, it is a necessity.

Imagine the potential for growth, the vast amount of knowledge and the connections that students can build when they have access to stable internet. On the other hand, think about the doors that are unintentionally closed when that access is limited, or unreliable. It's not just about having internet access, it's about having access at high speed and stable access to ensure students can compete fairly and succeed in their academic and professional journey.

In conclusion, reliable internet is not just a convenience, it is an essential part of modern education and career building. Poor internet connectivity can drastically effect both interviews and college applications, and by extension, it affects students futures. As we advocate for better education, let's advocate for better infrastructure, that supports all students equally, ensuring that no one is left behind because of something as simple yet vital as internet access. Thank you.

The Honourable Roger Spink

Thank you very much indeed.

Micah Joseph-Hersey

My name is Micah Joseph-Hersey, and I'd like to present what I think education and internet are very, why internet can affect education. I believe that our time in year 11 is one of the most important years of our lives and is a big deciding factor in where our lives continue from here. So I believe it is important that we get the most amount of support and time to ensure we achieve the most we can.

In this day and age, the majority of our homework is online. Recently, we've all been receiving piles upon piles of homework, of online and paper homework, and with extremely slow internet, it is making an already long process to an unnecessary longer process. Although we understand that as you get older, the more mature, and more mature, the quantity of the homework becomes larger and the quality of the homework becomes harder, we are still adapting to this, and the slow internet increasing the time we spend on homework is only adding insult to injury.

I would also like to add that you guys have whitelisted more of our education websites, which we appreciate. However, doing this is brought to light that this the slow speed of the internet is also preventing us from taking full advantage of these benefits from using these websites.

Another important reason I believe we would get, we would benefit from faster, more reliable internet is the fact that our homework is cutting into a sleep schedule. For example, I have four pieces of homework due today, and had to stay up significantly later than I normally would just to get it done when I should, should have been resting in preparation for this meeting. The only

reason I hadn't done it late, earlier in the week is because I had pieces of homework due every single day of the week. I may have been able to do this earlier in the week but the internet speed prevented me from getting onto the Seneca website for approximately half an hour, which forced me to stay up later than necessary. We've all had to sacrifice the majority of our social lives outside of school to revise and do homework. So I don't think we should have to sacrifice our sleep as well.

Before I let one of my peers make their point, I would like to share my final point communication, although my peer Ramiz has slightly touched on this, I'd like to share my views from a personal standpoint. As someone who has lived in Stanley for only three years and spent 12 years of their life in the UK. I gained many friends over my time there, and I believe it is important to check on them and keep in contact with them, although I get very little chance to actually talk to them right now, I do cherish the brief moments of a week I get to speak to them, but the poor internet quality makes it almost unbearable, as they always responded to me about six seconds after I've said something, sometimes at home, once the topic has already changed, which at that point, I might as well not be there. I'm hoping that Starlink will be able to solve these issues and the issues that my peers have also raised.

Thank you for listening to me.

The Honourable Roger Spink

Thank you very much. Thank you.

Daniel Lee

So Ladies and Gentlemen, with the issues we have presented to the committee, we ask for someone to act to make the changes necessary to switch to Starlink, and finally, allow the students to get what they need and want. We understand that the topic of Internet has been a sensitive topic for a long time, and we understand it's not an overnight solution, but enough is enough, and work must be continued to ensure this goal we all have in mind is achieved. Thank you for allowing us to speak to you today and listening to us in return.

The Honourable Roger Spink

Thank you very much to Daniel. Thank you to all of you, actually, for coming in and being brave enough to come and give us your thoughts for the future. I'll just go round and ask if there are any questions.

The Honourable Teslyn Barkman

Thank you. Chair I was going to ask the process for taking questions seeing as you've all sat down. I'd first like to recognize that I think, your testimony, each individually, was incredibly powerful. Thank you for putting the time aside to come today.

I think, Micah, you were touching on there, in particular, the damage that it has on your personal relationships, and something that was touched by both yourself and by Ramiz, was the impact that it has on your family as well? So I wonder if I can ask a question as to how does it affect your family dynamic if you're working to a limited quota package, because I can imagine, that you have to then dedicate time to talk to your friends in the UK, but then you're also thinking about, you know, not, not breaching that monthly quota. So does that affect your family dynamic and how? And the relationships you have at home.

Micah Joseph- Hersey

Slightly, because obviously, as you know, speaking to them will, you know, already slow it down for everyone else. So we sort of need to take it in turns, you know, who's going to go on at what time, but, and then, even then, I don't get a lot of time to speak to them, because I'm always, you know, just, you know, either doing homework or advice. And so, you know, although I don't get a lot of time to speak to them in the first place, but then I need to let my mother and my brother also have their time on the internet, which is also, you know, preventing my time on going on. So it's very minuscule amount of time I actually do get to speak to them.

The Honourable Teslyn Barkman

Thank you. That does help enlighten it somewhat, because I can imagine, as you get nearer at the end of the month, it becomes more of an issue for you as a family dynamic. Thank you.

The Honourable Gavin Short

Mine was just going to be, perhaps a statement more than anything else. I'd like to thank you all for coming in today and for giving evidence. And to be honest with you, I don't think it's something I could have done, even at your age. I just got far too nervous. But the two things really, that's come out from, from what has been said Chair, is basically the need for speed and price. So I thank you for highlighting those, and I do note your comments.

The Honourable Peter Biggs

Yes, I don't have any specific questions, but I'd like to thank you all for the your presentations and the high quality and detail that you put in those and you touched upon the fact that one way or another, you're pressured into nocturnal time in order to get the full benefits, so adequate benefits from the internet system. This has been a problem for some years with the only adequate

or getting on for adequate periods being in the late hours when people like you should be getting rest. Thank you.

The Honourable Jack Ford

I don't think I have anything further than all.

The Honourable John Birmingham

Neither do I, but thank you very much for coming, everybody spoke really well, and it's more difficult than many people think, and the points that everybody made, I think, are very valid. Thank you again.

The Honourable Roger Spink

Mark. I don't know if you can, I can't see you at all, not sure if you're raising your hand or if you're there.

The Honourable Mark Pollard

Thanks. Thanks, Roger, Yes, just, just like, thank them for their for their comments, my dealings with the parliament always amaze me how eloquent and on point they are and today was no different, so thank you all for coming. I don't have any further questions.

The Honourable Teslyn Barkman

Okay, thank you, Mark. Yes, I did have a couple more questions, sorry, I should have announced that beginning. The first, the first one was to Eirine because you were talking specifically around the impact that it has on, on, on education and on your job interview opportunities. But I also, kind of you touched on areas about how this, this may limit opportunities for, for the young people of the Falklands in the future. It's just really to, if you could offer a view as to whether that, that impact, impacts your mental health in any way, if that, if that in not necessarily for you, but for your peers, if you, if you know of any stories of how those pressures and obviously meeting college deadlines, from my recollection, you know, those things could be quite high pressure situations. So does it add any extra impact on onto you all as individuals?

Eirine Kamoto

Yes, I believe so, especially since, let's say you, for some reason, you've only been able to submit your personal statement just the day before. It's like due and for some reason; it's taking hours upon hours to actually be submitted. And then you wake up the next day you realize, oh, it's not been submitted. Then you would be very stressed, because you would have just lost your position to go to college, meaning you would have to wait a whole another year again to reapply. So I think

it would add a lot of stress, and it would really affect your mental health, because then you would have to try and rearrange things, especially if you had booked, like accommodation or whatever, in that way.

The Honourable Teslyn Barkman

And planned your life.

Eirine Kamoto

Yes, you have to take a step back and just redo everything all over again.

The Honourable Teslyn Barkman

Thank you very much. Sorry, that's a bit of an extra question, but I did think your testimony is very powerful. Thank you. Thank you for sharing.

I think my other question was probably addressed a little bit within some of the submissions, but a more general, I don't know who would want to take it necessarily, was around, do you feel that it limits your opportunity for, say, job interviews and college education interviews, but do you feel that you have a full access to employment opportunities with the internet in its, its current state. Or do you think that there are any opportunities that you think you know, does it limit you in any way? Not sure if anyone wants to take that. Or, I think you did address it a little bit in your submissions. But if anyone has anything extra to say, welcome it. I could see Daniel waiting to go. Do you feel like that's?

Daniel Lee

I could try and answer it, if you like?

The Honourable Teslyn Barkman

Because there's obviously quite a lot of jobs that you need to be online to be able to participate for and certainly maybe that's a growing trend. Is that something that concerns you?

Daniel Lee

Yes, I agree with what my peers said, that the internet speeds, the quality fluctuates during interviews quite a lot, and most of them have to be set up with college and a consistent kind of live stream. And I feel like, although it worked while I was there, I haven't heard stories from my other peers yet, I believe that it could still be better, because when, even when I was talking to, I believe her name was Sally at the college yesterday, she had periods where she stopped moving, it would

be the buffer, and I felt like I was being rude to her because I'd speak and because of the delay, I'd butt in right for her, right in the middle of the sentence. So that was obviously terrifying.

The Honourable Teslyn Barkman

No, it's not ideal at all. Thank you very much for all of the evidence and for taking the questions. Oh, there's a few more people who'd like to say something, and by all means, do come up.

Alexia Davis

Sorry, I would just like to add something from, like, personal experience when it comes to jobs and, like, the Internet. In my house, my mom has her own business, which, you know, it's amazing having your own business, but one of our main problems in our house is the fact that my mom's business runs mainly online. So for example, on the 13th of this month, we were already at 50% of our Internet just from my mom having to use it for her business to generate an income for our family.

So that adds, a lot of pressure, especially because I feels I can't do certain homework because, for example, I'm an art student, and for art, you have to do a lot of artist research, or research on general history of art. And for those websites, you don't, it still uses the internet from your package. It's not one of the websites that are, that don't use your package internet. So it's, it's a lot of pressure, my brother can't, play games, because he's obsessed with that as well. So from personal experience, I would say the internet's a major problem for people that have small businesses, but even large businesses, because they are quite expensive packages as well.

A lot of families can't afford to get two different packages, so that one can be for the family and the other one can be for the business.

The Honourable Teslyn Barkman

Thank you, Alexia, it's a really powerful example.

The Honourable Roger Spink

Thank you very much, Leona, I notice is online. Leona, would you like to say anything?

The Honourable Leona Roberts

Thank you, Chair and firstly, my apologies. I just got in from the airport, so I'm sorry that I missed the beginning. I'm particularly sorry obviously, that I missed the Youth Parliament's submission, but I would just like to thank them from the little bit that I saw there, looks like that was really helpful, but Yes, I've got no questions at this point. Thank you.

The Honourable Teslyn Barkman

I think Eirine wanted to make a contribution.

The Honourable Roger Spink

Please, yes, please do.

Eirine Kamoto

Just to add on with the internet being slow, so in school, we do, the cat four tests. So what teachers have to do just to make sure that the website is set up so you don't waste 30 minutes waiting for it to load. They have to, log into all the computers for us, and put in all of our names, so then, that way we can sign in. But even after we sign in, we still have to wait for another 20 minutes for the website to load. And then on top of that, we have to try and complete our cat four test before the lesson ends. So it just kind of adds pressure, especially if, you're trying to achieve a higher reading age, you're kind of being rushed into completing it because of the limited time we have.

Yes, and also up at the college, some people do online courses here, so I've heard a lot of people saying that it's so much harder, especially since the internet is slower and it takes them longer to actually complete the course.

The Honourable Teslyn Barkman

Thank you.

The Honourable Roger Spink

Thank you very much. Thanks, I mean, I'd like to thank you all for making a very compelling case as to why the monopoly that we have created is not actually meeting the needs and aspirations of the younger generation. Certainly we've heard from other people as well, but certainly from your generation, it's really interesting. You are the future leaders of the Falklands, and it's really interesting to hear your views on the adequacy of the current situation. So thank you all very, very much for coming this morning and sitting in front of us all. Thank you very much indeed. Thanks.

Okay, shall we move on to Simon? Yes, the Attorney General.

So did you want to say anything before we started at all, Simon, or are you just happy to take questions as?

Attorney General

No, I think it's probably best if, I know members have got a number of questions, because I think it's probably better if we move to questions.

The Honourable Roger Spink

Okay, so if we go around, perhaps if we start with Mark, do you want to ask the first question?

The Honourable Mark Pollard

Thank you very much, and thank you, Simon for offering evidence.

My first question is about the sort of profitability of market dynamics, if I may. So I'd like to see the Regulator's view on the potential impact of reducing or abolishing the VSATs license fee on overall profitability model. And is there any evidence that's been gathered to support any findings, and also just a sort of addendum, if I may, and that's whether or not there's any mechanism through which the claims on high profit margins for Sure can be verified or not.

There's quite a few in there. So I'm happy to repeat that if it's needed.

Attorney General

I understand the questions that have been asked, I think in terms of, has from a Regulatory perspective, has there been analysis of the impact of lowering the fee? I think the answer is no, in terms of looking at, you know, detailed information, however, you know, I think most people would accept that the provision of some of the services required under Sure's universal service obligations is not economic without cross subsidy from other services.

In the case of the broadband services that are offered, I think there's also effectively subsidy from the larger packages down to the smaller packages. I think it's worth remembering that the smallest internet package offered by Sure costs £15 a month, which is actually lower than it was in 2015 and the data allowances have increased by something like 14 times since then.

I think it's really interesting listening to some of the submissions from the Youth Parliament. I think Ms Kamoto, I think it was, mentioned the issue of digital divide, and I think that is an important issue for members to consider. And I think bearing in mind that I think most of customers in terms of internet packages, are on packages medium and below. And some of those, some of those packages, based on, on the costs of Starlink, as they've sort of indicated, if people are on extra small, small and medium packages, because that is all they can afford, then it is very unlikely that they will be able to afford to transition to an offering from, from Starlink, for example, even if members were ultimately to abolish the fee entirely, if it was reduced to the £180 that I think the petition refers to, I think that would still mean that someone on a medium package would, would

very slightly pay more per year than they currently do. So again, anyone who is, is on a marginal sort of income in terms of their, their internet subscriptions, I think they would have real difficulty there. But I think that is, you know, it is one of the issues that I think the government would

The Honourable Mark Pollard

Sorry Chair, there's a fantastic amount of noise coming from the, from the online participants. Can I just ask you to remind everyone to silence their microphones when they're not speaking?

Attorney General

Yes, so I think, I think the only other thing is, you know, obviously, if the if the current VSAT license fee was, was abolished, then, then, then I do think a significant number of customers certainly would be, you know, able to, to switch over to, to another service, and it would either be, be cheaper for them to do so, or at least broadly the same cost now that without doing any detailed analysis that is bound to have, I would suggest a significant impact on Sure's ability to continue to deliver all of the services in all of the areas that they're currently required to deliver those services.

The Honourable Teslyn Barkman

So just in response to your point on affordability, I thought the testimony of Mr Rao earlier, quite clearly outlined that it's not just about affordability, it's also about speed for, and whether you get the speed that is meant to be delivered with paying for the larger packages. So he outlined an example that his family was struggling to be able to achieve the 15 megabyte per second speed that was associated with the upgrade on their package. And in fact, it was around four. So I would also, it's be, it'd be difficult to discern whether there was a reluctance from the public to pay for a larger package which still delivered the same low speed and was perceived to be a poor quality for, for the higher price. So it's difficult to discern that without more data. But I would also stress that if we were to have more competition in the market, it certainly is a trend that would hope to create more affordable and better products.

But those, those were points that were raised in the oral evidence and the written evidence that had been submitted. So just to, just to counter that view about it all being about the affordability of Starlink versus Sure.

Attorney General

Yes, I mean, I think, you know, I suppose there's a number of points in there. One, this is a contended service. So, you know, the more people who are who are using services, both within a household and across the community, you know, it has an impact on, on the, on the speeds that can be cheap. Also, the infrastructure that's in place is different in different parts of, different parts of the town, for example, and different parts of camp. And that will definitely, I'm sure, have an impact.

The Honourable Roger Spink

Yes, can I just add there Simon the the Cartesian report, the 2015 Cartesian report said Sure's EBITDA margin increased from 44% in 2012 to 48% in 2013 which is significantly higher than the benchmark operators ranging between 13 and 41% now those benchmark operators weren't necessarily operating in a monopoly position, the analysis of Sure, South West Atlantic, and that obviously includes their other territories. So we can't draw too many, we need to have the information on the operation in the Falklands, rather than in the other territories. But the figures that David Rogerson took from the published 2021 and 2022 accounts state that the EBITDA, for Sure, was 48% still significantly above the benchmarks indicated in 2015 so when people say that they couldn't survive competition and a lowering of the license fee, I'm not sure that that matches with the figures, and certainly their reticence to supply figures has been, you know, why would there be reticence if, if you were fairly comfortable with showing that you, it would affect your business?

Attorney General

I think one point I would make is, I think it's important not to just cherry pick from the 2015 report, because the 2015 report also said that it didn't think that competition would actually work in this small jurisdiction, and it also commented when recommending not, for the government not to try to regulate things like return on capital employed and things like that. There were comments that a large telecoms company is also going to expect a certain level of absolute returns, and that's something that also needed to be taken into consideration, so consideration of percentages takes you so far but you also have to look at the fact that a telecoms company is going to want a minimum absolute return, and that was also part of the consideration, presumably, of the elected members in 20 you know, between 2015 and 2017 when they decided to negotiate the agreement they did.

The Honourable Mark Pollard

Yes, sorry, Chair, just after the after the answer from the Attorney General, I would have preferred to sort of chase the question that I initially asked. I think, you know, unfortunately, there was a bit of missing from the, from the answer, which is probably my fault for asking such a lengthy question. But I think my second part of the question was whether or not there was any mechanism through which the claims of the high profit margins for Sure can be publicly verified or not. I think we've all heard through the, through the oral evidence we've heard through written or seen through written evidence and anecdotally across the community for many years, about the high profit margin that Sure take.

Now, my question is to the Regulator, whether or not the this is sort of verified in any way by the Regulator, what information can be verified, what can be supplied, what can't be, what is commercial in confidence. So if I could get an answer to that side as well please, Chair?

Attorney General

So there is an amount of information that is provided that is commercially confidential, that I can't share by law with the select committee. However, what I would say is the regulatory regime that was developed between 2015 and 2017 does not specifically look to regulate profit margin. It doesn't look at profit margin.

So what was put in place, for example, was a broadband obligation under which Sure committed to keep packages at particular prices and develop those packages, and that subsequently has moved on. And then there's also a price control mechanism for many of the other regulated services. What the price control mechanism does is limit the company's ability to increase its, its prices.

It looks at information, some information on cost. It looks at things like the RPI, there is a discount value that's, that's sort of put, put in there to try and constrain price increases. And that's the way it's been looked at and, and to be fair, Sure, always provide the data that is requested of them in terms of the price cap, and they have always complied, you know, overall, with their price cap and their broadband obligation. So in fact, actually, there's nearly always a sum carried forward where, Sure, could have increased its prices more than they ever actually have done during the period of the license. And there's a, there is still a quite a significant sum carried forward at the moment.

The Honourable Teslyn Barkman

Thank you, Chair, just on your comment about cherry picking from the, the 2015 report. I mean, I do think that that's fair, because there wasn't also the recognition or the expectation that SpaceX would be producing the product that it is. And so in itself, I'd say that report doesn't also accommodate a full view of competition, because technology has moved on quite a lot in those in those nine years, and it's continuing on a trajectory which it is obviously of a concern to the select committee that Falkland Islands legislation isn't currently able to keep pace with but, and I suppose there is also a question there, you're talking about the information that's being provided by Sure, about what more accurate analysis could be done for us to have a proper view about that and that, that may be a question more for Becky later, to offer a view on from an FIG perspective.

But in terms of the regulator's role, just as a point of clarification, well, a couple of points of clarification, if I may, because certainly in, I remember at the last meeting of the Select Committee, when Roma was, was giving her evidence from Sure, there was an expression that Sure were in communication with FIG on a number of different matters, but as you've outlined there, there are certain matters that the regulator yourself can't share with FIG. So I think there possibly needs to be a bit of an explanation about what is communication with FIG? What is communication with MLAs? What is communication with the regulator and the separations and why they are in the way that they are there, so that there isn't any confusion, particularly from the

holder of the exclusive license, that when they talk to the regulator, that they're talking to FIG or to MLAs, because we need to be sure that the information that we request is also being handed over and that claiming that it's been shared with the regulator that is not sharing it with FIG.

Attorney General

Yes. I mean, I think, I think there are a range of mechanisms for communication between the various different groups. I think she do meet periodically with members of the legislature assembly. There definitely are conversations routinely with government officers and I'm sure the Director of Development and Commercial services can talk about that as well. So both she and, and the Chief Executive have, have meetings with Sure, and then there are regular scheduled meetings with the regulator.

Now the regulatory meetings generally focus on the areas that are directly relevant to the sort of regulatory function. So we discuss things such as complaints, faults, we discuss the price cap, any KPIs or quality of service matters and issues in relation to that. So those are the sorts of things that we routinely discuss, some of which involve the sharing of confidential information which can't be shared more widely.

The Honourable Gavin Short

Not so much question, just something I want to return to that's been going around my mind for a while, I actually find, excuse me, I find the lack of data or financial figures being supplied to this committee extremely, extremely worrying and bothering because it stops us from doing any form of detailed financial modelling to find out what the effect of what the petitioners are asking for might be. We are almost navigating slightly blind here. And you know, I would ask that, is there any way that, perhaps, that some sort of, some of that information could be supplied.

Attorney General

Well, I mean in terms of things, I mean, as I say, I get a range of detailed information as part of the price cap submissions, and I absolutely am barred by law from sharing that. That is absolutely unequivocal. I cannot share that with you, and I'm afraid I'm not committing offenses for the purposes of the committee.

However, I think one of the things that I think I read, I think I'm right in saying, I read this in Sure's letter to the committee, that one of the things they suggested is that there may be an ability to share more information with the government if the government is then going to propose to negotiate or discuss some of the issues arising out of this. And it may be that some of that is information is considered at that different stage, if you like, than at this stage. Otherwise, I think you are reliant on, on publicly accessible information, including things like filed accounts, which obviously the, I think the latest filed accounts related to the 2022, I think the next accounts aren't to be filed for another month or two.

The Honourable Gavin Short

I'd just like to come back on that for me. Simon, I thank you for your reply, and I certainly would never ask you to step over that line. But so I think you know from what you've said and my understanding of what I've heard this committee so far. I shall, I shall draw my own conclusions, and I will have to draw my own conclusions about what a move or the abolition or lowering of the of the license fee may have.

Attorney General

Chairman just to come in. I think one of the point, it's probably just worth just emphasizing there in terms of information that is available. I mean, obviously you have seen what in their letter to you, Starlink have indicated they would offer package sizes. Now, of course, that's, that's not a commitment that they would, of course, and you can see what that compares to in terms of, of Sure package sizes. And I think, as I say, anecdotally, you know, if you look at the numbers of customers, I think there's inevitably going to be some impact, and you're going to have to have regard to that, that you know, the potential impact there.

The Honourable Teslyn Barkman

Thank you, yes, in follow up to that, I share a similar frustration with, with, with my colleague, MLA Short, but I am more concerned, obviously, given your position as the regulator, as to whether it means that FIG is slightly impeded in fulfilling its role to support telecoms under the exclusive license, if we haven't, if we've got data blind gaps, essentially.

And does that in your mind as a regulator, does that highlight any issue or concern that there is an inadequacy in the law to allow for a full and frank exchange of information so that investments from an FIG side can be targeted appropriately?

Attorney General

Well, I mean, I think some of these points are probably more for sort of government to respond. I mean, I was involved to a degree, in some of the discussions around the subsidies a few, few years back. And so in relation to that, just as an example, I am aware that the then Chief Executive and then Director of Development and Commercial Services were absolutely sat next to and formed part of Sure's procurement exercise to procure additional satellite capacity, and was involved in the discussions around, around that, I think they travelled up to Guernsey for, for that process. So we absolutely had sight of the real numbers, the real tender submissions that were coming in from the satellite operators such as Intelsat, and could then make an informed choice at the time about the broadband subsidy that was then agreed.

And effectively that subsidy, as I understand it, was designed almost as a as a pass through. You know, we could see the costs that say, Intelsat were going to be charging, and the government

could decide how much it was prepared to pay to increase the overall, sort of satellite capacity coming into the island.

The Honourable Teslyn Barkman

Thank you. Thank you for the response on that, and I agree it's possibly similar question for FIG to answer in terms of the scoping and data behind investments that FIG have made. They're obviously significant, but I suppose it does sit in the background as a bit of a concern for us as legislators, if we need to be reassured about this and we need to see this, so it's hopefully that's something we can pull out through the course of the Select Committee.

But in your view, as regulator, obviously, you're there to regulate telecoms and work to the ordinance, work within the space of the, of the law. So do you think, or is it, in your opinion, as regulator that FIG has done everything that it could within the current law to uphold the telecoms of the Falklands? Or do you think that there, there have been missed opportunities for an FIG perspective?

Attorney General

I'm not necessarily sure that there are missed opportunities from an FIG perspective, perhaps from a regulatory perspective. I mean, I'm certainly not going to sit here and claim that the system that the system has, has worked perfectly. And I think it's also important to, to bear in mind that you know, the system that we have resulted from some detailed consideration. I mean, I've, I've certainly read the Cartesian reports, the two reports that were produced in sort of 2015, and, and some from, from earlier, earlier than that.

And the system that we have was put in place following consideration of those reports and all of the information that they contained, plus the outcome of a negotiation with Sure. And so to some extent, it is what it is. And you know that agreement is in place, the regime, as it stands, is in place. And you know we've got to work the best we can within that arrangement, unless and until that is that is changed.

The Honourable Teslyn Barkman

Thank you.

The Honourable Peter Biggs

I think my questions I have in my head were partially answered, but I must express frustration in trying to, in trying to get through this system constructively when we don't have the full set of information. And I'm quite heartened by the fact that perhaps Sure would be happy to reveal that information to at least government officers, perhaps so that some indication of the of that essential detail, that the you know, relevant people are made aware of it, and also, you know, the

obvious frustration that, for the last decade, probably, the internet services in the Falklands haven't fulfilled the reasonable expectations of the people that are paying for it.

Attorney General

Yes, I think one thing, I mean we all get from, frustrated from time to time. I'm not a very great internet user in terms of, I don't do online gaming and things like that, so I probably don't feel the same frustrations that some of the youth parliament members feel. I do think it's important to recognize, though, the improvements that have occurred, and actually those improvements have probably occurred in, you know, in large part due to the license that those who negotiated it agreed in 2017 and then the subsequent investments by the government and, and to be fair, also to investments by, by Sure.

You know, I think if you look at how things have changed throughout the period of the license there has been, there have been huge changes. So you know, as I say, that the bottom package offered by Sure, the price is lower now than it was in 2015 in fact, actually the price continued to drop. You know, from 2010 onwards, it has dropped down from around £25 a month to £15 a month.

And the data allowances are, you know, considerably, considerably higher than that. So I think it's important not to, you know, I get that there are frustrations, and people want to move on, and other parts of the world have moved on. But I do think it's important to recognize that there have been huge improvements made over the period

The Honourable Roger Spink

Yes, but I think it's the speed of those improvements.

Attorney General

But, to be fair, Chair, sorry to interrupt you, but, I mean, I think one of the things that the Cartesian report, I think it said, as well, is, you know, they estimated that the Falkland Islands was probably a few years behind, you know, the rest of the world in some of these technologies. And probably that was, you know, something that we had to accept effectively, that was, that was a reasonable thing to expect, given that we are in a remote location.

The Honourable Roger Spink

I wonder if you can advise why the exclusive license to Sure includes the exceptions of FIG self-provision, etc, listed under the ordinance, but makes no reference to the license fee for self-provision, given that Sure in their submission say this was a central feature of their negotiations for an exclusive license.

Attorney General

Yes, so I think there's, there's a couple of different points there. Why were there some exclusions? And I think that was born out of some concerns, and also concerns about, about legalities of completely restricting that, there were some concerns at the time, but it's also part of the of the negotiation there. So why were the ex, you know, exclusions included? I think they were included as a, as a, you know, some of them as a sort of backstop to, you know, where there are circumstances where the exclusive licensee was absolutely not providing why? Then were there fees and things, if they were so critical not within the license? Well, it's because that's not the right place for those fees to be set.

Clearly, the license was agreed with Sure on the basis of a policy decision that the government had made, and then the government subsequently implemented that policy decision by making the fees regulations that they did. Now there was a bit of a lag in that all happening, but, but the, the fees regulations were eventually made in 2019 in accordance with the policy commitments that the government had made in 2016 so you know, why was that not within the license? Well, it's setting those fees is the license is not the right place for those fees to be set. They need to be set by regulations under the under the ordinance.

The Honourable Teslyn Barkman

Thank you. I think that separation is actually really helpful to note. Just on a point that you made there around the expectations in 2015 and I accept that maybe in 2015 on the back of the Cartesian report, as you know, there was that expectation that the Falklands could be behind the rest of the world based on its geographical isolation. I would say that that is certainly challenged now and from a consultant who came over to give a presentation to do with hydrocarbons finance earlier in the year, acknowledging that he has set up a tourism business in the deepest, darkest parts of the Amazon and is able to use internet in a way that is better than, than the Falklands currently have access to through the use of Starlink, I'd say that it's not a reasonable expectation to use geographical location in modern times, and that kind of, to me, it feels like it points to inadequacy in the future proofing of the law, which would have been very difficult and hindsight, it's a brilliant thing to have acknowledged that that would have happened in 2015.

Attorney General

I mean, hindsight is marvellous, but in 2015 they did recommend that we look to him to implement a mid-Earth orbit satellite solution, which the government chose not to do.

The Honourable Teslyn Barkman

But Yes, so that there were efforts made there, I can imagine, but there's the scope of knowing where technology would take us, and the possibility of dial to sell technology being on the horizon is also something that would have been very difficult to predict. It, but that's I would also argue,

that's why the exclusive license is an in perpetuity, and that it needs obvious review points, and that's something that our law does, does clearly reflect.

My question, though, is more to do with geographical location and expectations of service, and I know that I've sent you some information about this so, so you know where I'm going to be going with this, but we had a kind of third person communication around some of the services when they went off at Albemarle earlier in the year, and you were quoted by the, by the FIG directorate that at no point has there been a commitment to provide Island wide coverage. And I think you may have been speaking about the mobile service, and not only the WiFi. So please, could you outline, in your view, before I move on to my next question, what is the captured view on the maintenance and repair of WiFi systems in camp as well as you know, what expectations for modernization and resilience of an efficient service there are under the current exclusive license?

Attorney General

Just taking one step back, is it worth just sort of going through what the commitments actually are in terms of coverage, etc, and then, and then, and then, pick up the point?

The Honourable Teslyn Barkman

Thank you. I mean, that would be really helpful. It's just, it's useful to know what camp users should be able to be entitled to?

Attorney General

So the universal service obligations set out in Section 34 of Sure's exclusive license, which is largely published, it's certainly on the regulator website, if anyone wishes to read it. There are just a few small areas which have been sort of redacted from publication because of the, what they contain. But section 34 sets out the Universal Service Obligation. So fixed telephone and internet services are to be provided, essentially to all business and residential premises which are occupied for six months or more each year, and they're to be served at effectively the same retail prices as all other parts of the islands and residents in Stanley. So effectively, just because you're in a remote location doesn't mean that Sure should charge you more for your broadband packages.

So that does mean then there are some places which are not occupied for more than six months of the year, where there actually isn't an obligation to provide any service, and there isn't an obligation to provide it on the same terms. And I think in some of those cases, Sure is actually continuing to do that. But there are some where they're not obliged to do that.

In terms of mobile phone coverage, because, again, I think some of the things that you were discussing were around sort of safety issues, and you know, access to remote sort of areas, and in terms of mobile service, this is, this is referenced in various different parts of the exclusive

licenses, it's in Section 41 and then in one of the annexes, the, there are KPIs 13, 14, and 15, which set out, which, you know, various mobile sites that were committed to be provided, which Sure, Sure met its commitments to do that.

Then subsequently, there was a contract in, I think, 2021, where the government contracted with Sure to install some additional masts. And again, it met those obligations. But what you know, what I was referring to in the bit that you quoted, is there's never been at any point agreement to full geographic coverage of the islands, and I actually doubt that that would be practical, and certainly not practical in economic terms, in relation to the capital and revenue investments to provide mobile coverage for the full geographic area. As part of its arrangement, Sure has committed to modernisation of infrastructure, so I know that there has been work done seeking to improve the camp network. Now I think that has gone, shall we say, slower than expected, but there have been improvements made there.

The Honourable Teslyn Barkman

Thank you. So that is really helpful, I think, for the, for the committee to hear and while I appreciate there may be no full geographic commitments, farms and businesses that are certainly operating more than six months of the year out there are still suffering from extended delays and as, as you point to, my point is one of safety as well as business and economic, you know, a full communications blackout in an area is incredibly dangerous, particularly if you've got small children, particularly if you're operating heavy machinery, or, you know, you're at a vulnerable age.

Then there are, there are also a number of circumstances that you can't prepare for, but having communication is, is an essential part for the whole Falklands certainly, and it also highlights to me that there is a gap around and while it's great that that Sure are providing services to houses that aren't occupied more than six months in the year, and fulfilling those commitments over above, but that points to another inadequacy in our current communications ordinance, that we should be thinking a little bit more about communications as an option for everyone to be able to access. So that's perhaps something that this committee can, can look to work on.

There's, I'd say that there's a very strong case for self-provision that's outlined by some of the safety and business impacts that caused by permanent outages. Do you think, you know arguments for self-provision and for that to be at a more affordable level, and to use the words that were highlighted by the Youth Parliament earlier, I think it was by young Harry, that it creates a barrier to some businesses. Affordability is creating a barrier to businesses and to families to be able to act, to access speeds for Internet that they need, particularly in camp, I'd say there's also that, that safety element that that comes alongside that.

Do you think that in any way, in your view, as regulator, highlights the need for affordable VSAT connection?

Attorney General

I think the one thing is, you know, when you just picking on your last point there in terms of affordability, there's, there's always going to be an affordability divide, because even the services that you know you're talking about here in terms of VSAT provision, they're not cost free. And there are still, you know, large numbers of families in the islands who will not be able to afford those services.

And I think this is where I go back to it, you know, if there is a desire to, to look at, say, the license fee, I think you have to go back and look at the 2016 policy rationale, because that's what informed the decision on the fee. Now what you would need to do is come to a position where you felt that policy rationale no longer held, and a different policy rationale applied, and that's the sort of thing that you would need to look at.

The Honourable Teslyn Barkman

Sorry, I've just noticed chair, and I apologize for taking up quite a lot of the questioning. But an element of my question there that hasn't, hasn't been answered, was around maintenance and resilience of services. Because obviously, to use the Albemarle example, when all services go down and you've got one service provider that needs to come to maintain and bring back online all of those that creates a resilience issue.

And my point about affordability, I do take the point, although we did have an exchange on that earlier, that it may also be around the quality of the product for the price, which is also a factor in thinking about the barrier of affordability. But another point that was made by Brian Jamieson in the previous select committee was around the speed and maintenance of services, which, when we're talking about that resilience option is also a very pressing concern. So whether, in your view, as regulator, are the needs of the people currently being met, if there is an option there for better maintenance, improved resilience and for a product that can deliver speeds, you know, maybe not, not for free, as you've outlined, and still with the price, but is at least delivering a quality of product for the price?

Attorney General

Just so, just in terms of maintenance, obviously, Sure does have service standards, and that is one of the things that we do discuss in some of the regulatory meetings. And I know, but it's really incumbent on people, if they're unhappy with the service that they've received, to complain and, and you know, we really need to see those formal complaints.

The Honourable Roger Spink

I would actually say that isn't the petition a great sign of how unhappy people are with the service? I mean, I think 2460 signatures, or whatever, is a pretty clear statement that people are not happy with the service and provision that is being provided at the moment.

The Honourable Teslyn Barkman

And it's difficult to complain if you've got one option.

The Honourable Roger Spink

If you very difficult to dispute that.

Attorney General

Yes, no, absolutely. You know, a large number of people are unhappy that the grass is greener as they would see it elsewhere.

The Honourable Jack Ford

Thank you. Simon, in the submission from Starlink, where they mentioned that they, around applying for a license to how they'd like to, but were previously told they were not able to, and I know we did get a bit of clarification from them.

Attorney General

At no point have Starlink been told that they could not apply for a license. That is, that is absolutely untrue.

The Honourable Jack Ford

I just wanted to sort of link it to that point in your submission, if you could just expand on the communication with them.

Attorney General

So I, I've communicated with, with Starlink, certainly over the past sort of six months or so, what I've said to them, I mean, obviously there is an exclusion from the exclusivity in the in Sure's license that that must be able to be to be activated. Some individuals have applied for and I have granted VSAT licenses to those, to those individuals and businesses, they must be able to receive that service.

Now, I think, from a sort of purist perspective, I do think that Starlink ought to have a regulatory approval to offer those services, but I do think there's a respectable argument that perhaps they don't need to have that. And therefore, since we've never previously required a VSAT license operator to obtain a license, nor any satellite phone operator to obtain a license, I've kept with the status quo, unless and until a court decides otherwise. So what I've said to Starlink is, if they want to consider applying for a license, get in touch and we'll discuss what that process might be. Now I'd certainly envisage that that wouldn't be challenge free, but you know, that we would be able to discuss what that process might be. But I also said to them that if they wish to continue to provide services to customers who have a VSAT license, I have absolutely no objection at the moment to them continuing to do that.

They have not actually responded in the last six months since I started writing to them about the issue of applying for a regulatory approval, they've simply not taken that forward.

The Honourable Jack Ford

Thank you.

The Honourable Leona Roberts

Yes, thank you. Yes. I was actually taking a step back. So I was trying to try to indicate earlier, but on the, on the monitoring of data and performance, I know that quality of service reports are made available, I think, to the regulator. But Sam, could you talk through what, what the regulator does receive, what those reports show because I think, you know, recognizing absolutely the conversation that just happened about people must report faults, otherwise they don't appear, I think, and I made this point to Roma when she was giving Sure's submission at the last select committee that I think, you know, people have largely given up reporting faults, which is not helpful in terms of monitoring.

But I, the question to me is about being able to have confidence that an in Sure can deliver what they're required to and that they can bring about improvements in the future. And I think that's one of the, the huge frustrations that start across the community, is that confidence, that the, the upgrades and the, the tempo that we need would actually be there, for all the obvious economic, social, safety reasons. All those things have been discussed. But can you talk us through the gathering and monitoring of performance data?

Attorney General

Yes, so there are, there are KPIs that are currently in place, and Sure each quarter provides data, although you know, actually we meet periodically. And basically at every meeting, there's normally some conversation around complaints, data, things that are happening, etc. But the in terms of the formal reporting, there's report on KPIs quarterly. It looks at faults both in Stanley and

in camp. It looks at residential, it looks at business. It looks at how long the company is taking to repair faults, etc. So we get data around that.

We get data around reliability, in terms of network outages and things like that, planned and unplanned. We receive data around complaints, so the numbers of complaints, the resolution of complaints, and there's obviously a target that are set, some of which are met, and some of which occasionally on not met. And we discuss those, and we discuss the reasons why things have either been met or not met, and then determine whether there is any action to be taken.

The Honourable Teslyn Barkman

Chair, may I please ask a follow up question? So I think it's regulatory principle B that outlines that the needs of the people of the Falkland Islands are the paramount consideration in the operate operating of the license regimes under the ordinance. Building on Leona's question, there, do you think there is currently too much obligation on the consumer to report faults, because, certainly from the testimony that we heard from the young people earlier, minor faults, which maybe is a broad term and probably need some definition behind it, not meeting speed requirements, having to wait 20 or 30 minutes per cage to load. That's a fault. But if they're daily occurrences, routine occurrences, happen several times a day, that's placing quite a lot of obligation on consumers across the whole Falklands to report those faults, as well as what might be considered a more major fault in people's minds, such as a complete outage of service?

Attorney General

Can I just give an example? I think one of the things that the constant negative communication around this issue, I think has an impact on people. So just an anecdote from this week, an actual case from this week, that someone I was speaking to their internet was not functioning as they had expected, and was, you know, they just had assumed, well, you know, as everyone says, this is, this is a terrible service, so we just have to live with it. I said, No, if there's a fault, report it. And they got back to me within a couple of hours and said, actually, we reported it to Sure there was a fault on the line, they fixed it, and it's working much, much better.

It's really important, if things aren't working, for people to actually report that because there are faults, faults do occur, and then Sure can fix them where it's a fault that's causing the problem. Now, there are some problems that are caused by the, the overall constraints of supply and what people are wanting to do. But there are some where it is, there is a fault on the line, and the need to the need to be able to have the opportunity to fix that. So that was a case this week where someone was just going to be sat there, resigned to the fact that their internet was, was not working as they sort of expected it to, they reported a fault, there was a fault on the line, it was fixed, and things began working as they expected it to.

The Honourable Teslyn Barkman

My question was, do you think that that puts too much obligation on the consumer? Because, certainly from the petition and the point was made by the chair earlier, I don't think having to report faults, whether it's on a daily or weekly basis, is a reasonable expectation for a consumer.

Attorney General

How can Sure fix a fault if they don't know about it?

The Honourable Teslyn Barkman

If the fault is the speed across the islands, it's difficult.

Attorney General

That's, I mean, that's not a fault that is, that's just a limitation of the contractual arrangements that are in place.

The Honourable Roger Spink

I mean, I just had to say, I mean, you know, do you have a view, if given the strength of public feeling demonstrated by the petition and the communications objectives, particularly, it would be in the public interest to prosecute individuals self-providing given that the needs of the people the Falklands are the paramount consideration in operating the licensing regimes under this ordinance, the unreliability and quality of particularly camp telecommunications, and I think this is evidenced by compensation that's being paid to various people in the camp in this current month, are Surely a major consideration, aren't they?

Attorney General

Yes, so I think there's a number of points that one, I think I can't simply ignore non-compliance with the law and the currently approved policies of the government. So it, you know, the policy rationale approved in 2016 is what we're charged with delivering, and I can't simply ignore that position. I think it's also, it would be inappropriate to try and make a general statement about a sort of public interest consideration. Every individual case, if there's an investigation undertaken, would be considered on its own individual, individual merits.

If there was any suggestion that someone was to be prosecuted, the same test would be applied as is applied for every other case. There's an evidential test, is there enough evidence to provide a realistic prospect of conviction? And then there's a public interest test, is it in the public interest for that matter, to go ahead? I think the fact of the petition is of extremely little weight in that sort of balancing exercise. You know to give another example, if there was a petition saying the speed

limit on the on the MPC road should be, should be increased to 70 miles an hour, and everyone agreed that petition, does that mean that someone driving at 65 miles an hour wouldn't or shouldn't face prosecution when the speed limit, the lawful speed limit, remained at 40 miles an hour? I would suggest the petition would carry almost no weight in that assessment. Absolutely, we understand what people feel about this issue, but that needs to be addressed by the policies and the contractual arrangements that are in place.

The Honourable Gavin Short

To make a point that a wise legal person some years ago once said to me that really, laws are consensual. The public has to agree to abide by those laws. If there is a mass rise up against any sort of law, then it means that law really is useless. You know, if the public finds that is really they do not wish to be governed by a certain law and if you have enough people saying the same thing, then perhaps that law is not fit for purpose.

Attorney General

But then we have a representative democracy here, where, you know, if laws are felt not to meet the needs of the community, there are processes by which laws can be can be changed. But I think we also have to remember that there are contractual commitments engaged here as well. And you know, a license has been issued on terms agreed with Sure and that, you know, we need to have recognition of that. I think it would be, it would not be a great thing for society if everyone felt that they didn't need to be bound by contracts that they that they had entered into.

The Honourable Teslyn Barkman

I believe this was a question put by the chair. Thank you for the response, because this select committee would also like to understand very clearly what parts are enshrined in the law, what's covered in the contractual commitments and what and as you said, the fees which are outlined more in policy decisions from what I can tell.

Attorney General

The fee is, the VSAT license fee is currently set in the fees regulations that were made in 2019 the rationale for why the fee was set at the level it was set at derives from the policy that was agreed in, I think was October 2016 as part of that sort of licensing regent. I think it would be certainly well worth members looking at if, if they haven't already, I think it's Annex B to the, the report that went to Executive Council. I think it's published on, on the website, so anyone can, can, can see that report, and that that annex and that sets out why, and I think, you know, one of these issues that we've talked about is public interest. Well, you know, there's, there's the interests of, of members of the public who wish to have, you know, access to Starlink services. There are also broader interests and, you know, we've talked about digital divide. We've talked about, you know, services that are not necessarily in themselves economic and the need for across the public interest, you

know, in this, in this regard, is really a broader public interest that needs to be considered, not simply the interests around this particular issue.

The Honourable Teslyn Barkman

Thank you. And I think, as I outlined to you in email, I personally don't believe that arguments for sacrifice of service to a minority of people fully uphold, for a majority of people fully uphold the needs of the people of the Falklands. I think there is certainly a conversation to be had there around interest versus needs, because certainly, as we see different parts of the country continue to suffer from, from faults or young people being unable to access educational opportunities, the needs of the Falklands are currently not what are being supported. So thank you for your evidence.

Attorney General

I mean, I think, from my perspective, a negotiated solution is the, is the best you know way to proceed with this. But obviously members will take their own, their own views on that.

The Honourable Teslyn Barkman

Thank you.

The Honourable Roger Spink

I mean since, since the government policy originally was set, Sure are now in receipt of substantial subsidy, which they didn't have in 2016, plus they have the advantages of economies of scale over self-provision. Can the regulator advise why, with those advantages, the economies of scale? I mean, we know how much they're spending in camp. It's not that much. I've got some figures that I think I've provided on the, the select committee website from Sure.

So with those advantages, why aren't they able to compete with self-provision without a penal license fee?

Attorney General

Well, I think, I think there's a few things. One, remember that Starlink, as a company, has lost billions and billions of dollars in putting 1000s of satellites into orbit. I think it is now a profitable revenue generating business, but it has spent billions of dollars to get to that point, and those costs are not currently being passed on effectively to their subscribers. Here, so they've got a much greater economy of scale that they're able to absorb that. Sure has to deliver a range of services, in addition to internet, and it has to deliver them to a wide range of areas where it requires physical infrastructure to be put in place.

And I think in terms of the subsidy, as I say, I am not Sure that the subsidy is particularly relevant to this particular question, because what that subsidy is doing is paying for extra satellite capacity that otherwise wouldn't, wouldn't be, be paid for out of Sure's revenues.

The Honourable Roger Spink

Just one more as well. The regulator's price control paper stated that there was going to be a new price regime brought in from first January 2024 and that there was going to be a draft proposal, and then they were going to be discussions of the draft proposal with Sure prior to public consultation, public consultation with an opportunity for Sure to participate in the manner it wishes to, especially to address criticism or misunderstanding of its pricing policies, price levels and commercial factors influencing price outcomes. And it was very odd that didn't take place and didn't come, take wasn't brought in for the first of January, and then suddenly, just the week before we had the select committee Sure brought out a new set of prices. Were those number, one agreed with the regulator prior to being brought in? And you know, why was there no proposal progressed in 2023 and have the, the latest packages put out by Sure been agreed in consultation with the regulator?

Attorney General

Okay, so I think there's a number of things. So when it was when the broadband subsidy was agreed by the government in 2022 so previously, take a further step back, the price cap mechanism that's currently, that was in place did not cover broadband services. It covers a range of other services, telephony, etc, when the broadband subsidy was agreed in 2022 we anticipated that we would bring broadband services within the price cap regime, and that that new price cap would come into effect from the beginning of 2024 and would run until the end of 2027 which is the earliest date on which Sure's license could be brought to an end.

So as that previous paper noted, the process was expected to flow from a draft proposal being submitted, ultimately, public consultation and setting of the new price cap. So as planned, we commissioned some work, actually, from Mr Rogerson, who I know has been providing some advice to the committee. His draft proposals were first discussed, I think, with Sure in August 2023 and then we sent them to Sure for some initial consideration.

Discussions, I mean, essentially stalled, specifically due to concerns about the impact of Starlink and what was going to be the response of the government and of the regulator to the issue of Starlink, and unable, we to make progress on that. I mean, I think you know, the very fact that we're having this select committee, you know, and there's, you know, certainly suggestions that the license fee be, be looked at that, that creates huge uncertainty. And so what we what we essentially agreed was that the, the existing price cap would be rolled forward for a further year. So in other words, for, for all of 2024 and we would hope that we would be able, by the end of this year, to have something in place to cover 2025, 2026 and 2027,

So as part of that, we agreed with Sure that they would effectively maintain their existing broadband packages. So that was, that was the commitment that was given at the time. So subsequently, they've, they've actually increased the data allowances in those, those packages. So they certainly consult, I mean, they consult the government on that as well, as, you know, letting me know as the regulator and the two new packages, again, I think that was, it formed part of the briefings, to a degree that we had in March when, I think the Chief Executive of the, of the group visited the islands, so there was some discussion there. The actual detailed packages were certainly informed to me prior to implementation. But obviously that's, that's a, that's an enhancement of what was the commitment that was given for this year. So there's certainly no issue in relation to that from the regulatory.

The Honourable Roger Spink

It's rather strange, though that come last year, there was no, they were sticking their feet in the ground, and suddenly, just a week before the select committee, they decided to bring out some new packages. Does that not seem strange to you?

Attorney General

Well, I mean, I think those, those packages, have certainly been in discussion for some years, but those things have been in discussion for some months. You know, they have not just, just materialized. I mean, certainly things like the unlimited packages that have been introduced, you know, there was discussion about them back in, back in, whenever it was –

The Honourable Roger Spink

But also the agreed process was not followed, which is set out on the regulators website.

Attorney General

No, and it wasn't because we were able to, we were unable to make progress on that because of the whole issue of Starlink. I would very much hope that we are able to make progress by the end of this year.

The Honourable Roger Spink

I would suggest you that it's only the issue of Starlink that's, that's meant that there are new packages being brought out. That seems the case, just before, one week before, there's a select committee.

The Honourable Teslyn Barkman

Thank you. You pointed to David Rogerson. Obviously he was, he's been providing evidence to this committee, and through some of the public evidence that that he's submitted, he seems to agree with your view that a negotiated agreement with Sure is the route forward. But one of the one of the claims that he makes, and I don't think this will catch you too off guard for just quoted, but on 3.2 of the draft paper that he's submitted alongside the agenda to this committee was that there would be social and economic consequences, and consequences for the exclusive licensees ability to fund other communication services such as fixed lines, mobile, radio and TV should the VSAT license fee be lowered.

I think we, we did speak a little, quite extensively about making Sure that we've got data available for this, this, this committee to be able to understand the impact of that, because that's quite a, that's quite obviously a very impactful statement that he's made. But do you, this, this current select committee does not have the data available to be able to work through that, or to look at alternative options, or to be able to look at an option for a negotiated settlement currently, so we taking into account that there is obviously commercial information that you can't share with us as legislatures and as a select committee are hampered by our ability to be able to work forward, on this issue unless some of that information can be shared.

Attorney General

I mean, it may be that there's some opportunity, I know Roma's sat in the room today, there may be some opportunity for us to look at whether some information could be, could be provided. I mean, I think it would be, it would be very helpful for you to know, for example, the proportions of packages that are, that are, you know, at the different, some of the different levels. Now that then, doesn't give you necessarily the detailed financial information, but it does allow you to make an assessment of, well, how many people potentially could decide not to continue with their Sure subscription.

Because one of the things quite interesting is one or two of the individuals who've applied for and obtained a VSAT license had sort of indicated that they would, they would not be making changes to their Sure subscription if they, if they obtained such a license, and then have subsequently done exactly that. So I think it can, you can make a fair assumption that if someone is able to obtain a VSAT license, is able to obtain a service from Starlink that either all or a significant proportion of their current broadband subscription price would cease to be available to Sure, and so you would be able to at least model the potential drop in revenue if you knew roughly the proportions of people on different packages.

The Honourable Roger Spink

We have been provided with numbers of packages and people with packages in the past. But what we weren't provided with is the packages, like the government package over, over £200,000 a

year. Stanley Services packages or what they're paying for, which was over £100,000 a year. So we weren't given a complete picture. And I think that's something that I think would be desirable in the future.

Attorney General

I do think you have to be clear as well. You know, the exclusive license deals with certain regulated services. It doesn't deal with absolutely every service that Sure provides, Sure has a retail shop that's of no interest whatsoever from a regulatory perspective. Sure provides services to businesses. So, you know, they host data centres and things like that. That's nothing to do with any of the regulated services. So I do think we have to be careful that we're that we're looking at the right bits of the business.

The Honourable Roger Spink

We do. But I think, as you know, when the license was first introduced, Sure had to reduce and increase packages over a number of years because of the level of profitability that they had. So unless we understand that level of profitability, now, how can we make really informed decisions about the level of a fee for using, you know, for utilizing self-provision, or how they are doing so.

And once again, their published accounts are showing EBITDA of 48% which is right up at the level it was when the Cartesian report said that we needed to bring down, or they needed to bring down and increase the packages for the people of the Falklands, I don't think we're doing justice to the people of the Falklands in the way in which we're analysing that data.

Attorney General

Of course, you know the profit margins for different businesses across the islands are all very different. There are some more profitable businesses and there are a lot of less profitable businesses.

The Honourable Roger Spink

But this is a monopoly that is supposed to be being regulated and I think we owe it to the people of the Falklands to look at the figures and they have a reasonable return.

Attorney General

Chairman the regulatory regime, the mechanism for that regulation has been price control, and that has operated as it was intended to operate.

The Honourable Teslyn Barkman

And as we know that the technological landscape has, has changed, and the expectations of the public and of the economy and education and all these other social aspects have also changed. And I think, Yes, that's why the committee's here today, to deal with all this new information and reconcile what the gaps are.

The Honourable Roger Spink

But several things have changed, in that I don't think in in 2015 there was nowhere near the level of mobile phone provision. There was nowhere near the level of provision for, say, I'm Sure, if you looked at government, they probably weren't paying over £200,000 for broadband in in 2016 and you know, so I think, and there was also the subsidy that was brought.

Attorney General

The costs of providing those services have also changed.

The Honourable Roger Spink

I agree, I agree.

Attorney General

Extra international satellite kit capacity has been bought to meet those services.

The Honourable Roger Spink

We need to understand the whole picture.

Attorney General

The government has put the electricity price up, Sure's probably quite a big satellite there are lots of different changes.

Unintelligible

Yes, the unit cost of the data from the satellite providers has, has certainly dropped considerably which has allowed some of the increases.

The Honourable Roger Spink

Which is why we need the facts and the figures.

The Honourable Peter Biggs

I'd just like to ask, I should know this, but when, what date was the Cartesian report published?

The Honourable Peter Biggs

I think it was 2015, but I'm not sure, but it again, I think there is a, there is a published version of that report, which I think is probably still within the assembly's website. There is also a fuller version of that that would potentially be available to members of the assembly, but it hasn't been published.

The Honourable Peter Biggs

I'd just get back to my formal point, really, that that is barely eligible for consideration, I think, in as a factor in our discussions now, it's so out of date in a rapidly changing world and the, you know, fair enough, we do live a bit on the frontier you know, we're very isolated. And I think the population of the Falklands have been very tolerant of the, you know, the endeavour of the provider to work under those difficult circumstances. But now there's a clear innovation which has raised the expectation of people in the Falklands. And I think that's, that must be respected, and it will require compromise, possibly financial compromise.

Attorney General

Yes. I mean, you know, they call, you know, new technologies like this, disruptors and disruptive technologies, and they certainly are, and that's, that's what they're aimed to do. Now, that does then create challenges to try and incorporate that within, within a regime that was that was agreed some years ago.

The Honourable Gavin Short

Thank you. Chair, this has been partially covered by MLA Barkman, to my left, but of course, we're looking at two things that has been asked for in the in, the petition, and number one, there is to abolish or reduce the reset license. And I'm certainly not putting words in your, your, your mouth, Simon, because you weren't here, I think this comes from the meeting before where, where there was inference that should we put that to zero or two shilling from sixpence, whatever it may be, customers would be off like herds of wildebeests across the plain towards Starlink, but Skylink, Starlink, sorry, I guess the question asked them is, even if we reduce that to zero, it's no good old Short knocking on your door saying, Well, I can, I wouldn't mind this, because the half price and goes twice or 10 times as quick, because it still has to be filtered through you, does it not the, the, the we can do what we want, or if we did do what we wanted with the license fee, it still has to be filtered through your office, every application? I'd have to prove my case that you know they couldn't supply what I was wanting.

Attorney General

Yes.

The Honourable Gavin Short

So we couldn't, even if we took off like herds of wildebeasts, it would only be to your door and no further.

Attorney General

Yes, yes to a degree. I mean, as I say that, you would need to have a look at the rationale.

The Honourable Jack Ford

I just wanted to touch on the submission from Sure in the previous meeting of this committee. And I think on page three, halfway down page three, they start to talk about the, the VSAT policy and VSAT guidance notes and the policy that was approved in 2016 along with the communications bill. I just wonder if you could sort of expand on some of the things that they've talked about in that, and where they talk about the VSAT policy that was approved that mentions the £5400 fee, VSAT fee was a significant factor in them agreeing to the exclusive license. And I just wondered if you could sort of expand on that, and whether the fee and the policy attached to the fee was, is a requirement or a part of their license, or if it is a separate policy. So whether they've talked about them being very much linked, are they or are they very different things that can be dealt with differently?

Attorney General

I think this is an area that you know is ripe for, for dispute, and so I think I want to be slightly careful in terms of what I would say here. I think what Sure are arguing is that the, the agreement of that policy was fundamental to them entering into the contract that they did with the government, which comprises the exclusive license.

Now that is definitely a point of view, and if we fundamentally seek to change that, then there is certainly an argument that they could bring some form of proceedings against, against the government. But I think that's something that would require very careful consideration.

It's absolutely the case that excluded from their license is VSAT self-provision that is excluded from the exclusivity. And it's absolutely the case that it's for the government to set the fee for that and the policy rationale that informs that fee. So if there was a suggestion that that should be changed, I think we would certainly need to move very carefully, ensure that we properly consider the provisions within the ordinance around the, the you know, any change to the fee and had a

very clear policy rationale for any, any sort of proposed change, and that doesn't then mean there won't be some, some challenge to that decision.

But that, you know, is those things can be done, you know, but there is, there is, there's risk, there's risk for and there's risk of the consequences, as well as the practical risk of the of the consequences of that.

The Honourable Roger Spink

The situation has changed from 2015 it's a different background, with the subsidy, with, you know, the diff, the move from, from more, more in the way of mobile phones, etc. So things have changed.

Attorney General

Yes,

The Honourable Roger Spink

EBITDA hasn't, but other things have.

Attorney General

I'm not saying what I think it was Charlie Munger who has a phrase for what he thinks of EBITDA as a metric,

The Honourable Roger Spink

But we don't see any figures. That's one of the problems, I think.

The Honourable Teslyn Barkman

Thank you. Thank you for that response. So that's, that's really helpful. I think the separation of the different factors is going to be key to our decision, but we also recognize as a committee that we need to think through the consequences of all those decisions, and that's why, certainly timely and quality data would, is appreciated and hopefully will be a bit more forthcoming from all related agencies, so that we can make a wise decision suitable for the needs of the affordance, which is legislature, they need communications.

The Honourable Roger Spink

Okay, anyone else? Anyone? No.

Attorney General

Thank you, Chairman.

The Honourable Roger Spink

Thank you very, very much indeed, Simon.

Attorney General

I think I've taken up enough of your time this morning.

The Honourable Roger Spink

If we have a ten minute break, and then we have Becky come in? Thank you very much.

Break

Resumes

The Honourable Roger Spink

Thank you. Becky Clark, thank you very much for coming to give oral evidence today. Did you want to say anything to begin with?

Director of Development and Commercial Services, Becky Clark

I will just start by saying that, as I understand it, I obviously have to take direction from the committee, my evidence will largely be related to the broadband obligation agreement, so we call the broadband contract. There are elements of that in terms of general principles, I'm happy to discuss in an open session. However, if any of the questions relate to specific provisions or management of the contract, there's a commercial confidentiality attached to that and I'll have to, have to either decline to answer or if the session is closed, to only members.

The Honourable Roger Spink

Thank you very much. Good. Who wants to start? Teslyn, did you have?

The Honourable Teslyn Barkman

Thank you. I've got a couple of questions, and as you've just acknowledged, if you can give a more complete answer in a closed section, that would be appreciated, but what you can say in a public setting is also of great importance for the public.

So the first is, and I know this was a this was a known issue a few years ago because it was identified in a conversation in the House that we'd had, which is currently what data is FIG gathering to ensure that there is proper and adequate monitoring and implementation of our investments, such as the subsidy or such as in infrastructure.

Director of Development and Commercial Services, Becky Clark

So the broadband contract, which was signed in 2022 contains a specific provision for Sure to provide promptly relevant information to ensure that the subsidy agreed under that contract is being used for the purposes defined in that contract, largely that is being assessed through a series of KPIs which are also attached to that contract as a schedule and which were mutually agreed also in 2022 when the contract was signed.

The data that's required depends on which KPIs are being monitored. So some of it's very simple public information; Have these things been launched? Has this information been provided? Some of it is more complex, commercial information to do with where levels of satellite capacity have been provided from, and how so the amount of data and the sort of data we request varies, and it depends on the KPIs, but I can say that the contract management meetings we have, Sure has never failed to provide requested information.

The Honourable Roger Spink

Good.

The Honourable Teslyn Barkman

Thank you.

The Honourable Roger Spink

Anyone else have anything they wanted to ask Becky?

The Honourable Mark Pollard

No, not from me, Chair.

The Honourable John Birmingham

I had, I actually have one. It's known, generally speaking, that all governments have to take a long view as actually businesses have to take a long view. So can you confirm that the timescale that FIG, in the knowledge that there are just short of three years left in the exclusive contract, can you give us any idea of the time scale at which FIG would start working up towards the next, if indeed there was one, next contract?

Director of Development and Commercial Services, Becky Clark

FIG has already started work on this. So there was a conversation which started with the technology development group, which contains representatives from businesses, communities and all around the Falklands to identify specification for how we approach the next three year period, to use it as a period for review and establishing of commercial and economic options for after the license period.

The earliest point at which FIG can give notice to Sure is the first of January 2026, to come to the end of the contract on the first of January 2028, so as you say, that's pretty much three years and a couple of months.

The technology development group work led to a public international procurement exercise to find telecommunications consultants to give the support and expertise in the subject matter that FIG just simply doesn't have in house. There's a paper coming to ExCo next week to consider that, that paper will be commercially confidential at the moment because it pertains to on-going negotiations and contract terms, but we will certainly, once that's hopefully been approved, be taking that forward with the public.

The exercise that we're planning is going to be in two phases, an initial consultation involving consultants coming to the islands, talking with everyone who's interested, as well as some online presence, and then conducting a legal and technical review of the current provisions, the setup. And then second phase is to take all that information and provide FIG with an idea of what the market options look like, and to engage in whatever procurement exercises are indicated by that obviously, as approved by Executive Council.

So the current timeline for that is it will work through the entirety of 2025, there will be several milestones within that, one of which will be the production of the initial review, the second of which will be decision by Executive Council on the findings of that review and what direction it wishes to take, and then the third of which will be obviously a public exercise internationally, to look at what we might do in the next period.

We've not ruled anything in or out for that. So we haven't ruled in or out an exclusive contract. We haven't ruled in or out multiple provision. We haven't ruled in or out splitting the different

elements of telecommunication, because it is key to remember, this is about all telecommunications aspects, not just the broadband provision.

Our intention, although it's an ambitious timescale, so we will push to get there, but our intention is to be in a position by the end of 2025 for Executive Council to be able to make an intelligent and informed decision about what it wants to do in terms of serving notice on the current contract of license and how that next phase will look.

The Honourable John Birmingham

Thank you. But you don't have a date for by, you say, by the end of 2025, is quite a big year. 2025, you wouldn't have any be able to give any indication as to what quarter of 2025?

Director of Development and Commercial Services, Becky Clark

Not at the moment, because we will wait on Executive Council's decision about the appointment of consultants and then work with those consultants on a project plan which will be passed back to members and made available to the public, so that everyone's aware of the timescales when they've been sort of sorted out, and we know what's actually practicable.

The Honourable John Birmingham

Thank you very much.

The Honourable Teslyn Barkman

Thank you. Thank you for that insight. That's actually that's really incredibly helpful. Obviously, the committee is concerned from a matter of public interest. Obviously, this petition has come forward, but also we are, we are concerned about the lack of data that we've been provided to understand the impact upon other communication services which are covered by the telecoms exclusive license as well, and how that would be affected should the VSAT fee change. Please, can you offer a view to that, as well as from an FIG perspective please, can you offer review on the consideration of the LEO roll outs and the disruption and quality of service information that has been presented. And from a Department's view please, can offer a review on whether that represents good value for taxpayers money.

Director of Development and Commercial Services, Becky Clark

So on the final point, the value for taxpayers money under the broadband obligation is assessed through the KPIs indicated in that contract. As I said, I can't discuss on-going contract management issues in the open session, so I'll decline to answer on the specific point in any more detail at this point.

But as I previously said, Sure has never not provided the information asked for.

In terms of other telecoms provision that doesn't currently come under an area that I'm responsible for or manage. In terms of the current provision it is encapsulated into the project I've just outlined to look at telecoms provision after the current exclusive license period ends. When it comes to that process, we've had conversations with, with Sure about the amount of information that they will be willing and able to provide to our consultants, and that's been a positive conversation, again, because we haven't appointed the consultants yet we don't have a definitive sort of set of terms, but it's something that we will we'll be working really closely with Sure on to make sure that our consultants have the right information that they need to be able to make just sensible and workable recommendations for the future of the Falklands.

The Honourable Teslyn Barkman

Thank you.

The Honourable Roger Spink

Just I wondered them, do you view that the standard of service, of speed and cost of service to consumers has kept pace with international developments, if not, is it not reasonable to allow self-provision when the exclusive provider who has at the advantage of economies of scale a large government subsidy of around a million pounds per annum, plus large contracts with FIG worth over £200,000 per annum for broadband has failed to provide an up to date service, given the monopoly was set up to ensure the best possible service to all consumers, and particularly, you know, as regards LEO, which was supposed to provide a step change in speed that from last December. What's your opinion on that?

Director of Development and Commercial Services, Becky Clark

I have not got the expertise to offer an opinion on international provision of telecoms. I can speak to the current levels of provision in terms of the broadband obligation contract and what I would say is, and I echo in this, what the regulator previously said, Sure has complied with what was asked of them, with the exception of the introduction of the LEO services, which is a contract management matter.

With that exception, Sure has in fact, exceeded the amount of bandwidth they were required to provide under the broadband obligation. And again, as the regulators previously mentioned, has introduced packages in advance and enhanced from what was required under the price controls of the broadband obligation.

I think one of the understandable frustrations with this process is that members of the public and others looking at this have always wanted to look at a sort of direct cost comparison, whereas, in fact, the way that it has been contracted for and is regulated, it's about what Sure puts in to the

Falklands rather than what they take out of it. If that makes sense, in terms of what we have required them to do, those requirements, with the exception of the introduction of LEO services, have been met.

The Honourable Teslyn Barkman

I suppose, just to thank you for your time, but also if I think a closed session would be useful to understand in a little bit more detail, some of the sense, some of these more sensitive areas.

The Honourable Roger Spink

So perhaps we should draw to a close and then perhaps, would you mind staying on? Don't worry, have some time just to have a closed session. Thank you very much. Everybody for, for coming today. Thanks to everybody that took part. It's been informative. Thank you.

The Open session of the Select Committee closed.