



A quick guide to the Code of Practice for Procurement by Oil and Gas Companies and their Subcontractors Operating in the Falkland Islands.

Core Principles:

- ⇒ To create a legacy of long term benefit and growth to the Islands' economy and to retain as much 'value' locally as possible
- ⇒ Local companies must have as much opportunity as any other company to supply goods and services to the sector
- ⇒ The procurement of services will remain subject to fair and transparent competition
- ⇒ The Oil and Gas sector should encourage competition and joint venture opportunities where appropriate
- ⇒ The development of local capacity, education and long term development opportunities is paramount
- ⇒ The Local Content Board will use the criteria laid out in the Code of Practice to create a register of 'local companies'

Oil & Gas Company or a Subcontractor purchasing goods or services should:

- ⇒ Develop and publish your own policy / statement on local content
- ⇒ Expect to increase the amount of local content year on year
- ⇒ Give local companies as much opportunity as any other company to supply goods and services to you
- ⇒ Test the local market by advertising any tenders in the local media and on the SAROS website saros.co.fk
- ⇒ Encourage the local business sector to provide new services and where appropriate support joint ventures to increase local content
- ⇒ Give a minimum of two weeks for all tendering organisations to respond to your adverts and be willing to accept tenders in an alternative format if communications are an issue
- ⇒ Give written feedback to any unsuccessful tendering organisations so they are aware of why they were not chosen
- ⇒ Have payment terms of no more than 30 days
- ⇒ Monitor activity under this Code and provide the Falkland Islands Government with statistics on delivery performance

Local supplier company on the Local Content Register:

The local content policy should:

- ⇒ Give your business a fair and transparent opportunity to compete for business
- ⇒ Encourage businesses and people within the Islands to up skill in order to be able to tender competitively for business
- ⇒ Encourage companies with the appropriate skills to apply for tenders
- ⇒ Allow you to compete on a level playing field in terms of overall cost
- ⇒ Create opportunities for your business to grow
- ⇒ Encourage meaningful partnerships that open up opportunities for joint ventures encouraging growth of the business sector on the Islands

The local content policy does not:

- ⇒ Give your business a commercial advantage over non local companies
- ⇒ Entitle your business to a contract