Economic Development Strategy

Public Consultation – Summary outcomes

July 2025

Consultation Overview

The consultation was held between 12th May 2025 and 13th July 2025, having been extended from the original close date of 8th June 2025 due to sessions on West Falkland needing to be rearranged. It consisted an online survey with a number of consultation sessions held across Stanley, East Falkland and West Falkland.

The survey was constructed using feedback obtained from key stakeholders, MLAs and the business sector in discussions that took place earlier in the year. This was to help support individuals in completing the survey, and to provide some guidance and structure to the consultation sessions.

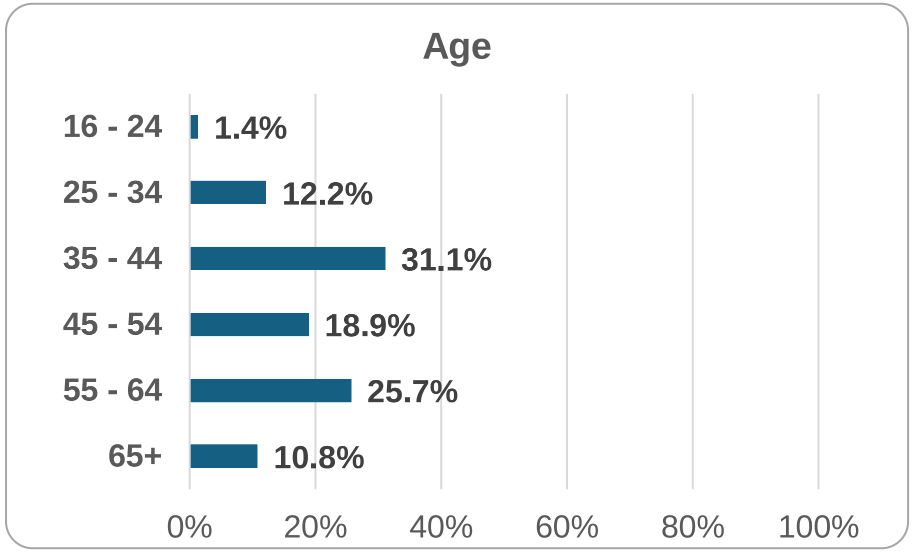
The consultation sought views form the community on:

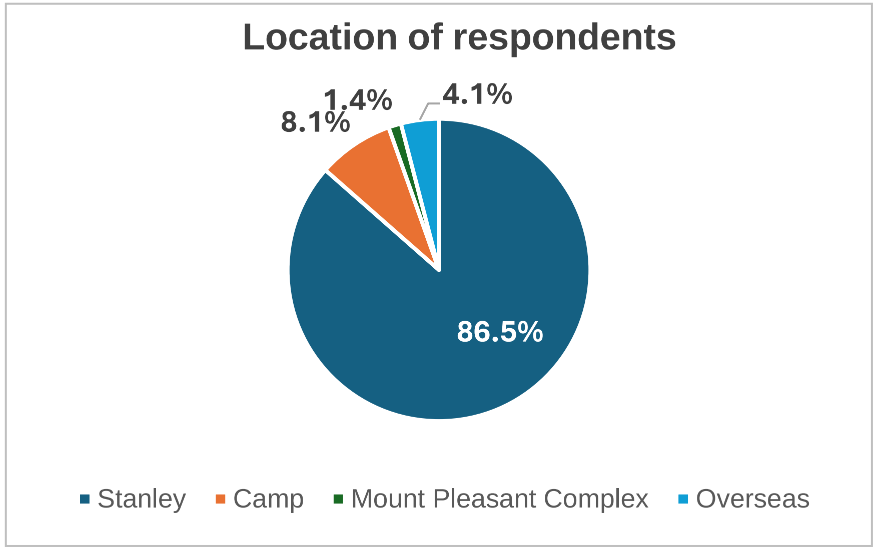
- **The current economy** – strengths to be built upon, challenges to be dealt with.
- **Ideas for the future** – New and existing opportunities to support growth in the economy as well as risks to be addressed.
- **Hopes and concerns** for a changing economy.

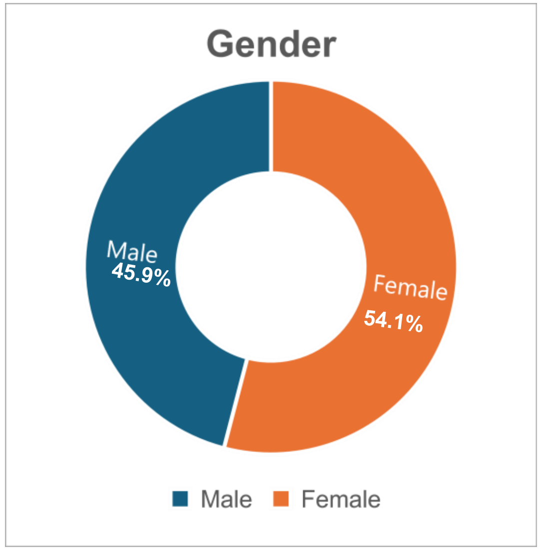
Consultation in numbers

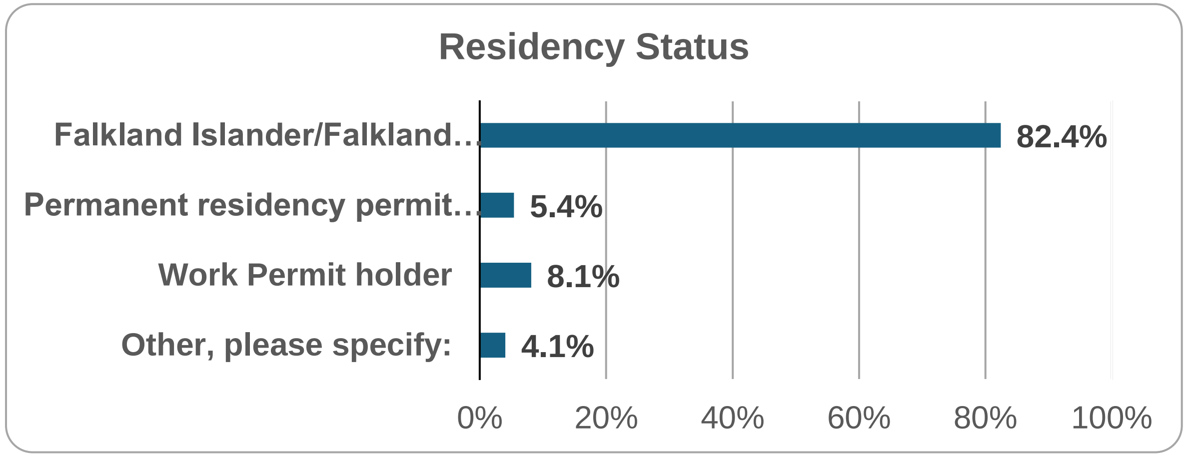
- **85** Responses to the online survey
- **7** Consultation events held
- **40** Over 40 attendees across the events
- **84** Contributions to the vision statement
- **10,000** Words submitted to qualitative questions

Breakdown of respondents (1)







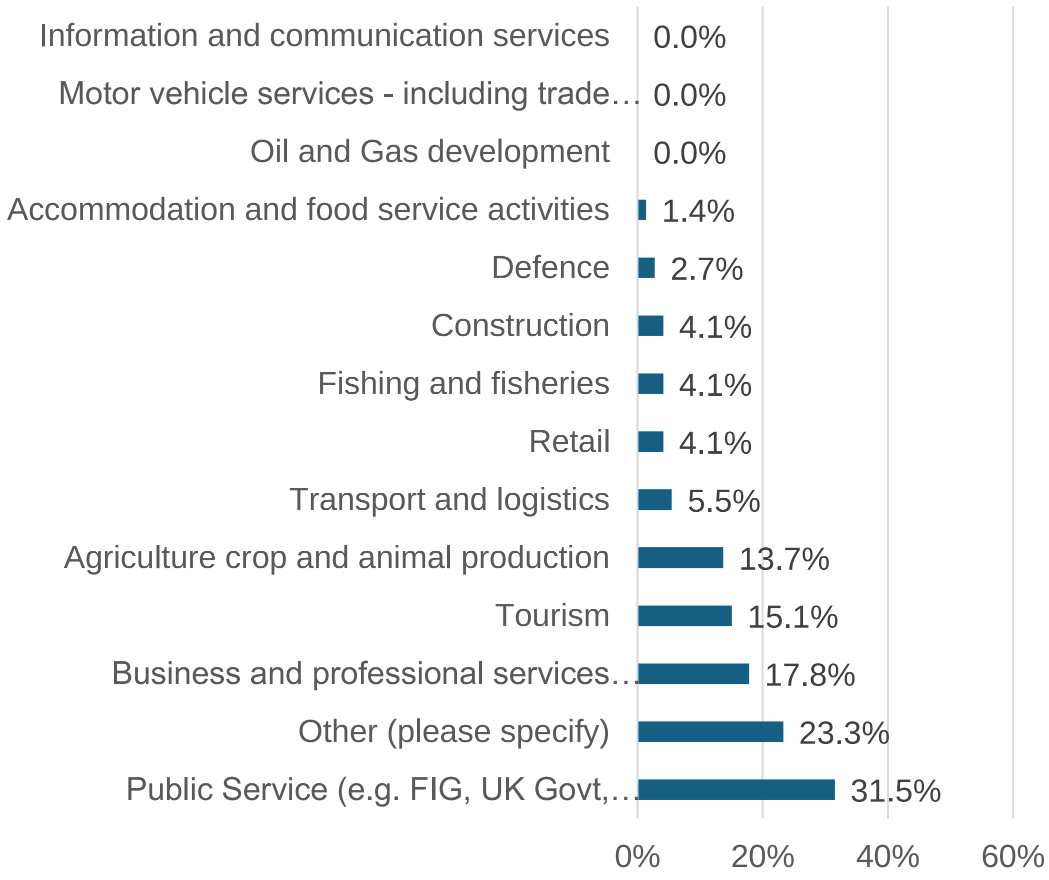


The survey attracted a good balance of male and female respondents with a reasonable age spread, though there was limited engagement from under 24s.

Geographically, there was only one participant from MPC, with Camp at a slightly lower proportion to the wider population. For residency status there was an under representation of PRP and Work Permit holders in responses received.

Breakdown of respondents (2)

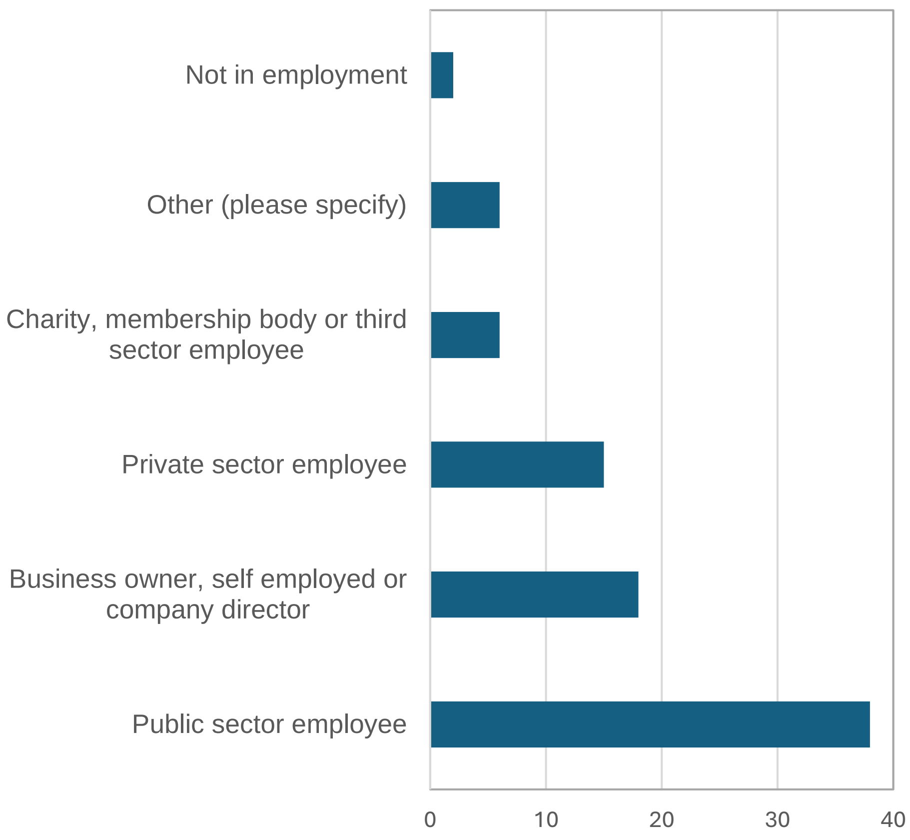
Sector of Primary Employment



In terms of primary sector of employment, there was strong engagement from the public sector, business and professional services, tourism and agriculture to the consultation.

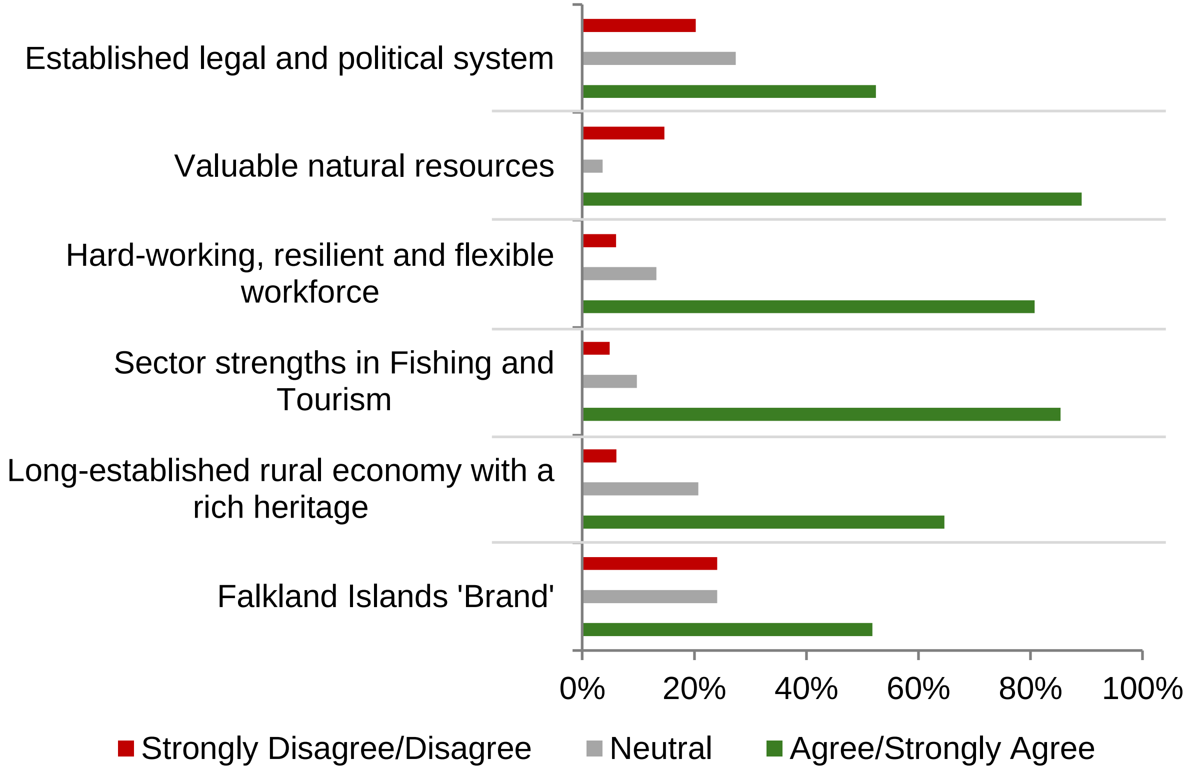
More broadly, there was lower engagement from the private sector, though business owners and third sector are split out. *People were able to select more than one option on the engagement questions.*

Engagement with the Falkland Islands Economy



Strengths in the Falkland Islands Economy (1)

The following have been identified as strengths for the Falkland Islands Economy. To what extent do you agree/disagree?



These statements were built using engagement with business sector and key stakeholders. Respondents most strongly identified with **Valuable natural resources** as a strength for the economy – 89.2% responding either agreed or strongly agreed with that statement.

Sector strengths in fishing and tourism and **Hard-working resilient workforce**, polled the next highest with 85.4% and 80.7% respectively agreeing or strongly agreeing with that statement.

Falkland Islands 'Brand' performed the poorest, with over 24.1% of respondents either strongly disagreeing or disagreeing with the statement. The highest negative performance. Comments on this matter reflected that there was more work to do strengthen the brand and better publicise the Islands unique offer across exports and the service industry e.g. tourism.

Strengths in the Falkland Islands Economy (2)

Additional strengths raised in the consultation

Following on from the previous question, respondents were asked if there were any further strengths that hadn't already been identified as part of the engagement consultation.

In addition to some sector specific strengths, three broader economic strengths were identified by participants in this section:

- British identity and values.
- Status as a UK Overseas Territory (UKOT).
- Environmental and natural capital resources

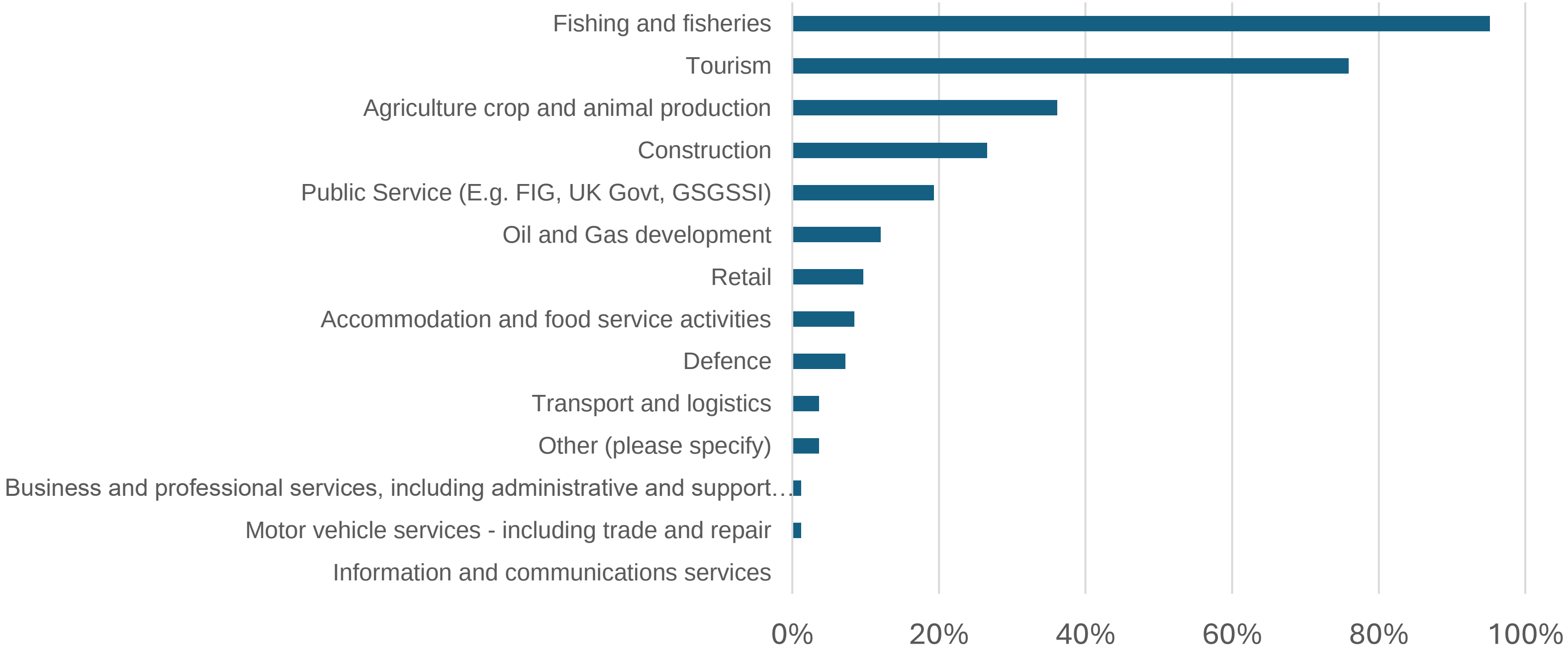
The first two strengths listed are the basis of the **Established legal and political system,** but it is right to recognise the importance of the link with the United Kingdom, both in terms of our status as an UKOT and shared heritage, identity and values, as economic strengths in their own right.

Environmental and natural capital resources were discussed with the business sector and other key stakeholders as existing strengths and grouped under **Valuable Natural Resources**, particularly in relation to clean energy generation. Nevertheless it was submitted several times as an additional strength by respondents.

Strengths in the Falkland Islands Economy (3)

Moving to existing **sector strengths**, respondents were asked to select the top three sectors they believed made the greatest contribution to the current economy.

Which of the following three sectors do you think make the strongest contribution to the economy?



Unsurprisingly, over 95% of respondents picked **Fishing and fisheries** as one of the three sectors that make the strongest contribution to the economy. Reflecting its 59% GDP share in 2023 as well as it's significant contribution to public and community services.

Tourism was viewed as the second strongest contributor to the economy with 75.9% of respondents selecting that sector. Whilst not separately listed in the National Accounts, FITB estimated that total inbound tourist expenditure was £7.3m for the 2023/24 season.

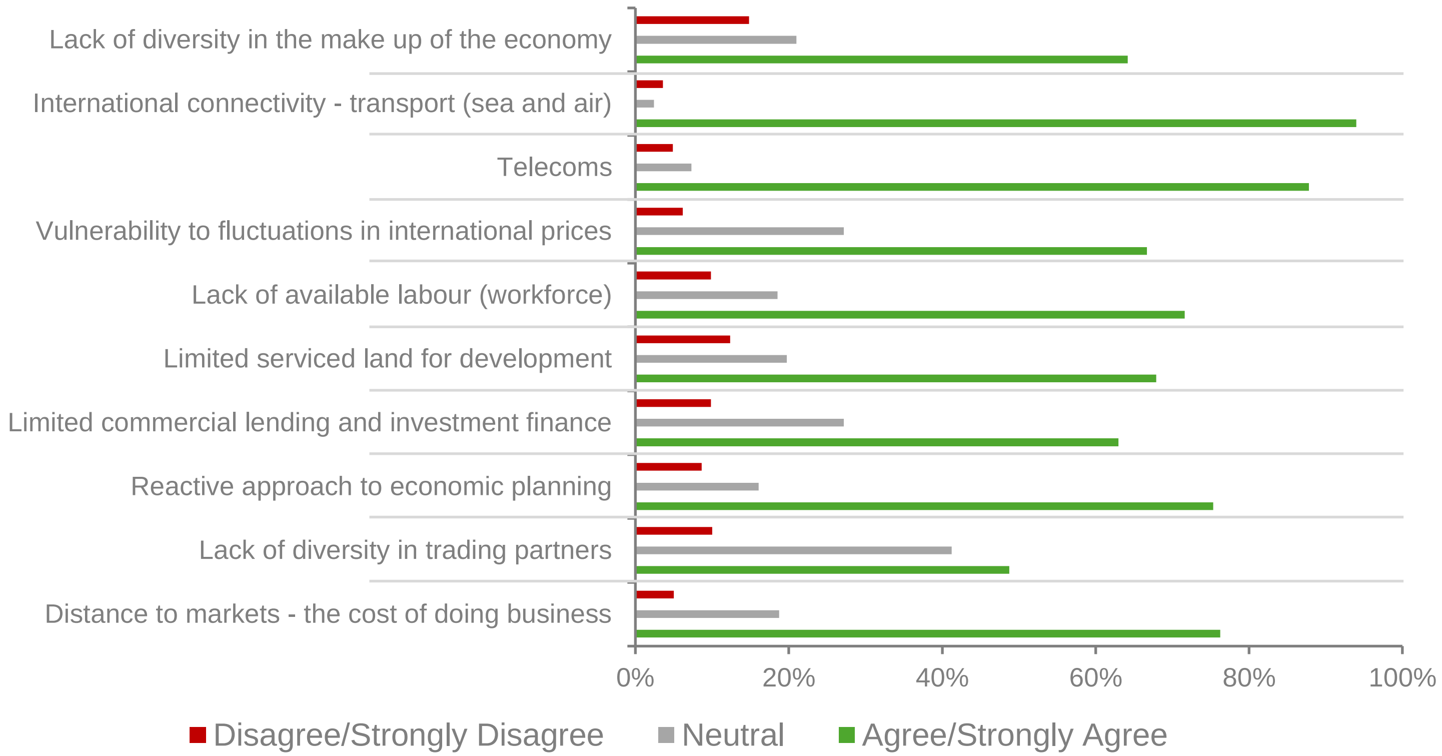
Third was **Agriculture crop and animal production** at just over 36%. The 2021 census puts this as the largest sector employer after the public service.

It's important to state that while they may not be considered an economic strength, support sectors such as business and professional services, transport and logistics etc. provide critical services that allow the economy and society to function.

Challenges to the Falkland Islands Economy (1)

After reviewing the strengths, we asked respondents what they viewed as existing challenges with the economy that needed to be addressed or managed. Again, the list of options for respondents was compiled with the support of the business community and key stakeholders.

To what extent do you agree or disagree that the following are challenges to current economic performance?



All areas polled as part of the consultation, with one exception, had ‘agree’ and ‘strongly’ agree total over at least 50% of respondents, suggesting broad agreement with the areas identified as challenges for the economy.

The highest polling across ‘agree’ and ‘strongly agree’ were **International Connectivity – Transport** (sea and air) which 93.9% of all respondents selected, **Telecoms** (87.8%) and **Distance to markets** (76.25%).

The lowest polling were **Lack of Diversity in the make-up of the Economy** (64.2% agree or strongly agree) and **Lack of Diversity in Trading Partners** (48.75% agree or strongly agree.

Lack of Diversity in Trading Partners sits as an outlier having a neutral score of 41.25%, 14% higher than the nearest scoring challenge in that category. This could be explained by the limited economic data in this area, along with the relatively recent impact of increasing global tariffs vs. other longer-standing issues for the Falkland Islands economy.

Challenges to the Falkland Islands Economy (2)

Additional challenges raised in the consultation

As a follow on from the previous question, respondents were asked if there were any challenges that hadn’t already been identified as part of the engagement process that they wished to submit.

Alongside some specific challenges for certain industries or sectors, the following were offered as additional challenges for the whole economy by the public:

- Regulation of the natural environment
- Housing
- Inward Investment

A short overview of each of these challenges is provided to the right.

Regulation of the Natural Environment

Some respondents noted that the economy was reliant on protection of the natural environment (Tourism, fishing, agriculture) and expressed concern that regulations aren’t sufficiently preserving what makes the Falklands unique, which has a negative impact on economic performance.

Housing

Although highlighted under *Lack of serviced land*, access to housing came up numerous times as a distinct challenge to the current economy.

This was viewed both as an economic matter, restricting the supply of labour to businesses and thus the ability of the economy to grow, but also having a broader impact on the wellbeing of the community.

Inward Investment

The absence of framework for inward investment and the barriers to accessing capital were highlighted. Whilst some of this is covered under the already identified challenge of *Limited Commercial Lending and Investment Finance*, it’s appreciated that international inward investment has its own barriers to success.

A project is ongoing led by FIDC and the Chamber of Commerce to further explore this matter

Challenges to the Falkland Islands Economy (3)

Rural Economy session at Farmers Week

During the consultation, a specific session was held in Farmers Week to help understand specific challenges for the rural economy, as well as what the strategy should prioritise to help support and grow communities in Camp and the Outer Islands.

Outcomes – What should the strategy prioritise in terms of the development of the rural economy?

Two key areas of discussion were noted:

- **Connectivity and transport** were key priorities, with calls to improve inter-island links with a second vessel, upgrades to ramps and jetties, and strengthening of the FIGAS service.
- **Support for young people** was seen as vital. Ideas included improving access to land, agricultural training, gap-year opportunities, and stronger links between education and employment to help retain and attract youth to Camp.

Participants also called for more housing, better community services, financial incentives like tax breaks, land-recovery payments, and clear targets with funding to ensure effective delivery.

Opportunities for the Falkland Islands Economy (1)

Future Growth Opportunities in existing sectors

Respondents were asked which current economic sectors had the most potential to grow and develop over the next 15 years. The top two selected were **Tourism** (74.3% of respondents) and **Oil and Gas** development (53.6% of respondents).

Though the top two were focused on delivery/natural resource sectors, respondents did feel there was also opportunity to grow existing service sectors over the next 15 years, e.g. **Construction** (40.2% of respondents).

Future Growth Opportunities in new sectors

Respondents were asked about top growth opportunities for the economy over the next 15-years in sectors less developed in the economy.

The table on the right highlight's suggestions put forward by respondents.

Sector for potential development	Description
Clean Energy Generation	Harnessing wind power across the Falklands to generate electricity to develop green hydrogen and ammonia for export.
Green and Blue Carbon opportunities	Safeguarding the considerable environmental assets of the islands, both on and off-shore to mitigate global carbon emissions through the development of a credits scheme.
Tech Economy	Taking advantage of improvements in technology (both physical and regulatory) to benefit the Falkland Islands economy. Examples provided included hosting data centres, attracting digital nomads and productivity gains in the existing economy to free up labour for new sector development.
Fishing, Fisheries and Aquaculture	Building on strengths in the existing fishing sector but diversifying into new operations. Examples provided included fish farming, kelp harvesting, shellfish harvesting. The potential to develop the ITQ model further was also raised, particularly in relation to the Illex fishery.
Expanding agricultural production	Diversifying into the production of new crops to supply the local market, taking advantage of new technologies in hydroponics, aquaponics (e.g. vertical farming). Taking advantage of MPC market.
	Adding value to existing animal and crop production e.g. a woollen mill.

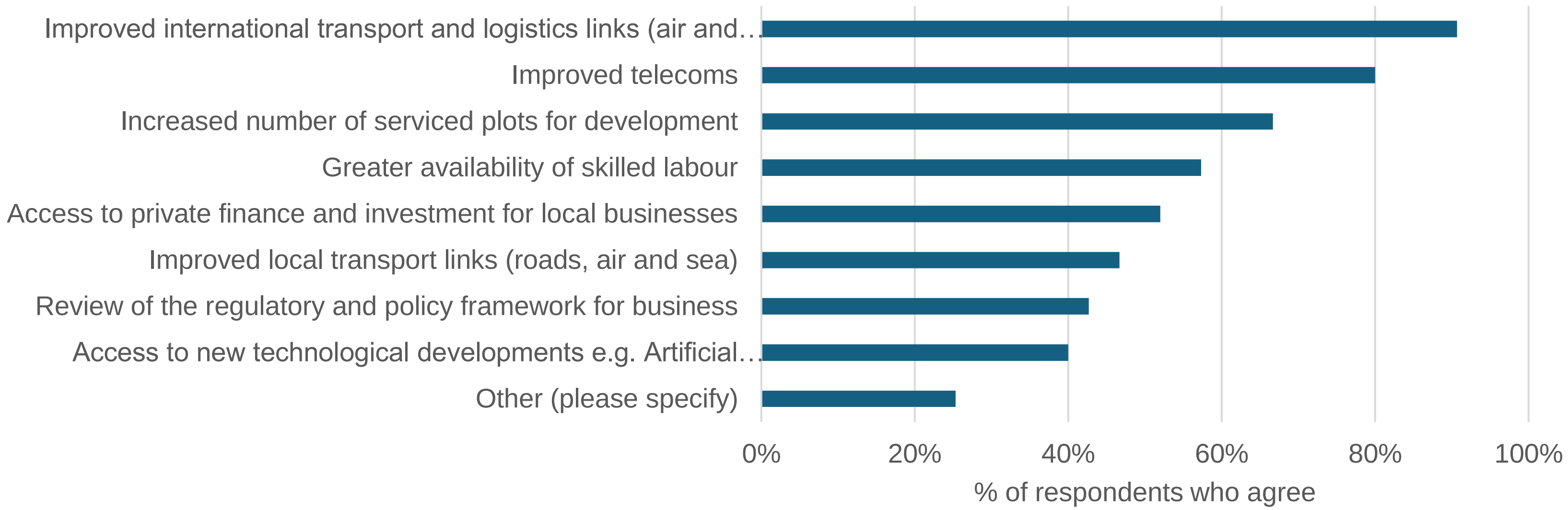
Opportunities for the Falkland Islands Economy (2)

Respondents were asked which of the following interventions identified by the business community and key stakeholders would best support a growing economy over the next 15 years. This question helps to understand where FIG, partners and the business community should prioritise their efforts over the life of the strategy.

The highest three selected were **Improved international transport** (90.6% of respondents), **Improved telecoms** (80%) and **Increased number of serviced plots** (66.7%). Lowest scoring where review of regulatory and policy framework (42.6%) and access to new technology developments, for example AI(40%).

That air and sea links, telecoms and development plots came out as the top three are consistent with the themes raised by business and key stakeholders prior to the start of the consultation. These are long-standing issues which, though now progressing, have hampered growth in the economy for some time.

Which of these interventions do you think will support a growing Falklands economy over the next 15 years? Select all that apply.



Other (Please Specify) was selected by 25.3% of respondents with comments given including:

- Affordable housing – this was mentioned by a large proportion of respondents.
- Better import and export opportunities and shipping rates.
- Increased regulation of the environment.
- Options to develop the rural economy.
- Comprehensive tax review.

Threats to economic performance

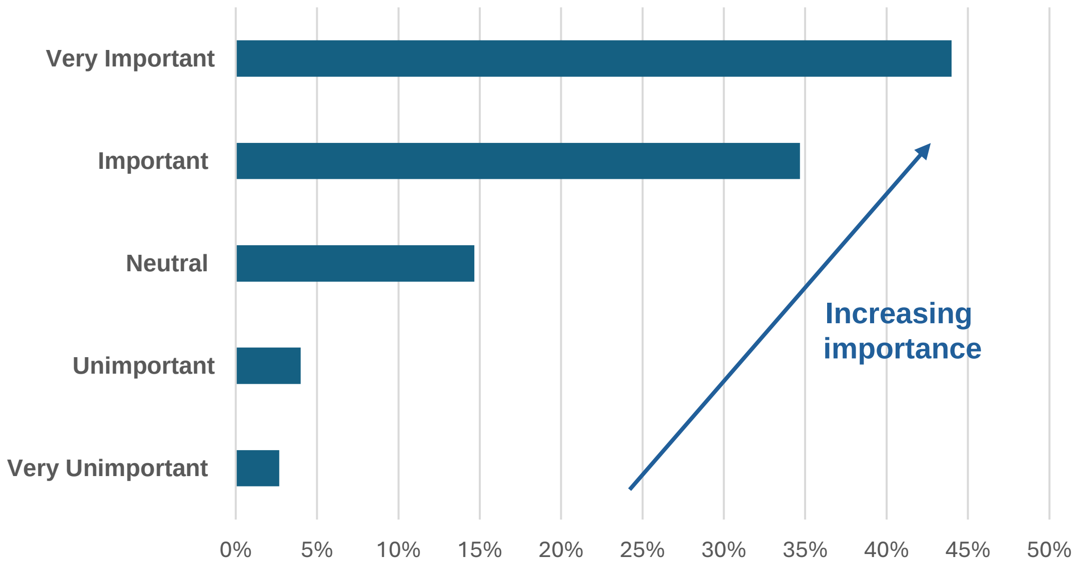
Respondents were asked what they viewed as the biggest threats to delivering a growing economy over the next 15 years. Below is not an exhaustive list of what was raised but covers the key areas of concern.

Threat	Participant Concern	Economic Impact
Geopolitical and Regional Instability	Increasing instability globally alongside the persistent regional pressures on the economy resulting from restrictions placed by nearest neighbour.	Trade barriers resulting in increased prices and limited markets. Increased shipping and transport costs, reducing profit and attractiveness of traded natural resources.
Climate Change	Failure to address the challenge on both a national and international scale could leave the Islands more exposed to the impacts of climate change.	Reduction in land carrying capacity for grazing alongside falling fish stocks. Loss of wildlife, natural habitats and reputation that support the tourist economy.
Economic Over-reliance	An over-reliance on the resource economy.	More open to global price shocks and an under-developed service sector for business and consumers.
Lack of Strategic Planning	No growth target or ambition currently in place, with decisions being taken on infrastructure too late or without a strong economic strategy to support.	Limits growth locally, hinders private investors and leaves the economy more reactive and vulnerable to external shocks if key infrastructure fails.
Labour Market and Workforce Capacity	Concern about labour shortages, limited housing capacity and a disconnect between the skills available and those required.	Puts a ceiling on economic growth in any industry or sector that requires labour or specific skills to be delivered.
Transport and Connectivity	International air and sea connectivity, as well as digital connectivity, were seen as unreliable or underdeveloped.	Capping of growth in the tourism economy. Restricts potential expansion into new digital industries and limits the ability to take advantage of productivity gains which could support the labour market capacity challenge.

Perceptions of a growing economy

Participants were asked how important they viewed a growing Falklands economy. 78.7% of respondents thought it was important or very important, with 14.7% neutral and 6.7% viewing it as unimportant or very unimportant.

I view a growing economy in the Falkland Islands as…



Participants were then asked what they viewed as the main benefits vs. the main drawbacks of a growing economy. Part of the Economic Development Strategy will have to look at how benefits can be maximised and the drawbacks mitigated.

Benefits

Better resilience
Growth of the economy was felt to be important to help the Falklands weather future international shocks, remain financially independent and continue to advocate for self-determination.

Investment in quality of life
A growing economy to help fund a high-quality of life. This includes investment in public services and infrastructure but also the service economy which the community relies on.
Some also noted the need for future economic gains to be more evenly accessible, across income levels but also geographically to prevent an unequal society developing and strengthen the rural economy.

Drawbacks

Environmental impact
Many comments noted the need to protect the unique environment of the Falkland Islands during the next 15-years, something felt to be more at risk due to economic growth.

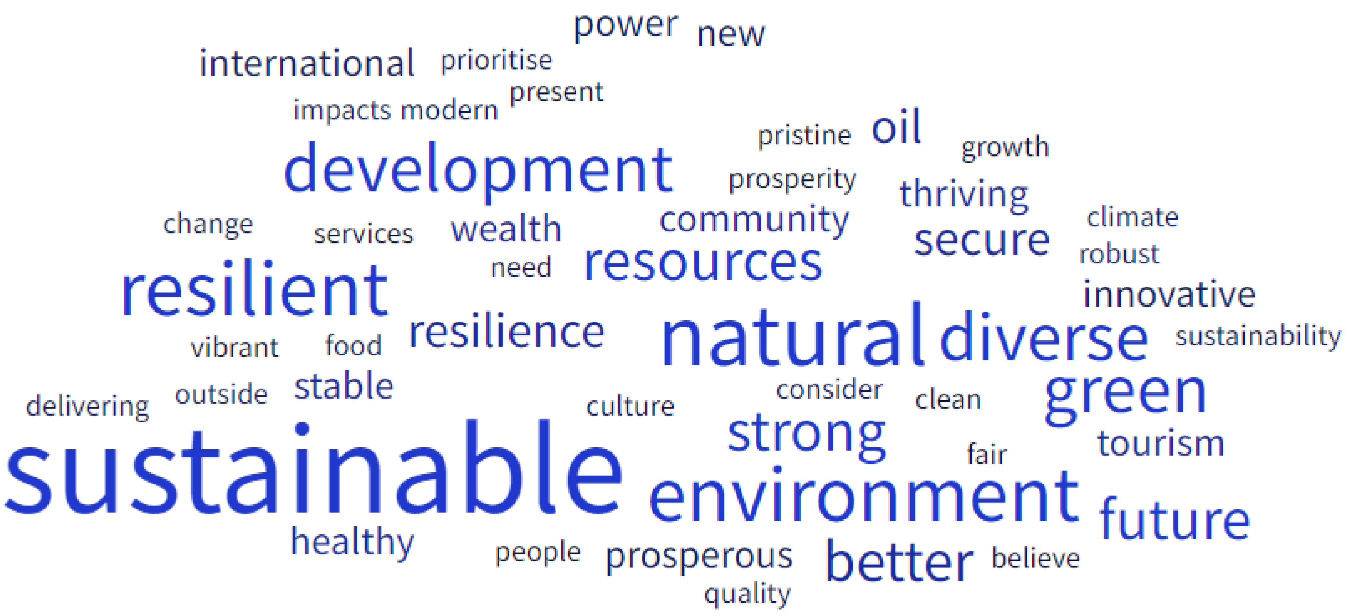
Community impact
Respondents expressed concerns about the impact of growth on already stretched public services and the small community feel which was felt important to protect.

Economic impact
Concerns around price inflation, particularly in areas where supply is limited (e.g. housing) were raised in the context of an expanded workforce due to a growing economy.

Vision for the future economy

Finally, participants both in the online survey and the consultation sessions were asked to develop their own vision for the economy over the next 15-years.

The survey asked for three words or phrases to help understand community priorities, the outcome of which is the word cloud below.



Attendees at the sessions were asked to complete a slightly different exercise that broke the vision down further into three statements people were asked to complete. The key themes are highlighted in italics below.

<u>By 2040 the Falklands economy will be</u>…
Robust, resilient, growing, sustainable, diversified, prosperous, growing tourism, larger.

<u>This will be done by…</u>
Investing in infrastructure and housing, diversifying the economy, public and private sector investment, pro-business attitude, developing green industries, working with the rural economy, growing existing industries and adding new ones, measured population growth.

<u>The Falkland Islands will use this to…</u>
Become economically self-sustaining, more resilient, be self-sufficient, protect against world and political unrest, keep the Falklands the Falklands!, secure a prosperous future, retain the younger generation, ensure good housing for all, maintain a happy and healthy community.

Summary conclusions

The Economic Development Strategy is intended to develop a strategic plan for the Falkland Islands economy for the coming 15 years. Taking advantage of opportunities on the horizon and mitigating against potential threats to ensure that growth is as consistent and intended as possible.

Feedback from the consultation has been invaluable in setting out experiences of the current economy, future potential and the kind of economy the Falkland Islands wishes to build between now and 2040.

The following summary points are key themes to be developed as the EDS progresses to its next stage of work:

- **Engagement was high** throughout the process, with a reasonable cross-section of the community represented demonstrating passionately held views regarding the economic future of the Falkland Islands – it will be important to maintain this level of engagement and support for the strategy.
- There was **importance attached to a growing economy**, and a need to do this through delivering interventions, particularly in relation to infrastructure, that would also benefit wider society.
- The need to be **resilient and retain economic independence** came through strongly, using growth and trade in support of the argument of self-determination.
- Respondents noted that **growth needs to be sustainable** as well as respectful of the environmental and societal challenges that the Falklands has – protecting what makes the Falklands unique.