



### What is this consultation about?

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Executive Council has directed that the public should be consulted on the changes FIG is proposing to make to the policy that guides the issuing of VSAT licences.

The policy was originally set in 2016 and endorsed in 2019. The recent community petition and Select Committee process identified a strong wish for the policy (including the fee level) to be changed to allow people more opportunity to apply for a VSAT licence.

This consultation is specifically on the sections of the current policy that FIG believes need to be updated to allow for VSAT licences to be issued on the terms recommended by the Select Committee – that is, less strict application criteria, and cheaper for the applicant.

This consultation is not about any particular provider – the policy applies to anybody applying for a VSAT licence, whether that is to allow them to access Starlink services or any other VSAT services. This means that this consultation isn't about 'allowing' Starlink. Separate work is being done by the Regulator to process an application from Starlink, if they choose to apply.

### What will FIG do with my responses?

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FIG will use the responses to this consultation to consider the exact wording of the revised policy and present a proposed final version to Executive Council for a decision on whether to implement it.

Officers will consider all responses and analyse the opinions expressed to determine what changes may be proposed to the current draft. All responses to this consultation will also be provided to Executive Council so that Members can see the range and scale of responses.

All responses will be kept anonymous and will not be identifiable as coming from any individual. All respondents are reminded not to include identifying information in their answers, unless you wish to be identified.

### How do I respond to this consultation?

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The consultation will remain open for 5 weeks, from 10 March to 11 April 2025.

To respond, you can complete:

- an online survey that can be accessed here: [www.surveymonkey.com/r/VSAT-Policy](http://www.surveymonkey.com/r/VSAT-Policy)
- Or: this editable PDF version of the survey
- Or: a paper version of the survey available in Stanley Post Office, along with a box for completed responses.

The survey is also available in Spanish, Shona and Tagalog on request: email [GTyrrell@sec.gov.fk](mailto:GTyrrell@sec.gov.fk)

If you have any queries about the consultation, please contact Becky Clark by emailing [ddcs@sec.gov.fk](mailto:ddcs@sec.gov.fk) or calling the Development and Commercial Services office on 27040.



## The current policy

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The current policy was adopted by Executive Council in 2016 and is used in decisions by the Regulator on the issuing of VSAT licences. Please note, this is separate to the VSAT licence application guidance issued by the Regulator. This policy is the foundation that the Regulator's guidance is built on. If changes are made to this policy, then the Regulator will separately update the relevant guidance for applicants.

You can access the full text of the 2016 policy paper here: [paper 163/16](#), however the relevant sections being consulted on are detailed below:

Section	Existing policy text
13	There are certain circumstances where the Government not allowing individuals to make personal arrangements could be said to be unlawful. Clear examples of this are where they require services that are outside the reach or coverage of the public network operated by the exclusive provider (i.e. for non-permanently occupied buildings that lie outside the universal service obligation) or where the services reasonably required by the citizen fall outside the scope of services commercially available from the exclusive operator.
14	The Government considers it reasonable that there is an alternative to using the exclusive provider in very limited circumstances. It is nonetheless appropriate that anyone managing telecommunications is within a consistent licensed and regulated regime. The Attorney General is aware of Queen's Counsel's opinion that suggests a failure to recognise this possibility in legislation may be unconstitutional.
15	A resident may wish to set up operations outside the parameters of the universal service obligation which will be imposed on the exclusive provider. It may not be in the operators' commercial interest to extend the network to cover the need (or it may not be able to do so at a reasonable cost). A resident may also have data or bandwidth requirements that cannot be met by the exclusive provider at a reasonable price.
16	The Government's proportionate response is to allow the opportunity for a limited number of licences (Extraordinary Licences) designed to cover such 'holes' in coverage.
17	Before granting any such licence, the Regulator must be absolutely satisfied that the grant will be consistent with the regulatory principles and the electronic communications objectives.
18	In accordance with the above it is clear that any licence should not create a commercial competition with the exclusive licence holder (because that licence holder has an exclusive right). Therefore the exclusive licence holder is the only person able to provide their exclusively licensed services on commercial terms to a third party.
19	The Regulator must be satisfied that the extraordinary licence must be of the minimum scope necessary to address the unmet need through the exclusively regulated regime. In any decision making the regulator will be guided by the statutory objectives and principles referred to above.



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- 20 Any licence granted will be only for the personal use of the licence holder and their immediate family. The Applicant would need to demonstrate that the exclusively-licensed arrangements were not adequate. This might be because of specialist technical or scientific requirements or because the level of data required could not be met within the constraints of the exclusive licence holder's infrastructure for example. It might also be that the exclusive provider could not provide the services required within reasonable commercial terms when compared with necessary services provided through alternative terms.
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- 21 These parameters having been established, the next question is what licence fees and other terms should apply to this extraordinarily licensed use.
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- 22 Operating outside the exclusive licence regime disadvantages the general public interest as collective purchasing provides benefits for the population at large. Accordingly, the Government will set a fee regime intended to discourage Extraordinary Licences and to encourage people to participate within the exclusive licence regime.
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- 23 A reasonable starting point, the fee payable for an extraordinary licence will be no less than the total annual cost of the exclusive operator's largest commercially realistic, generally available data package (i.e. the largest package that is in fact purchased by a minimum of [x] people), thus if the best package available from the exclusive licence holder is £450 per month, the licence fee for an extraordinary licence would be £5,400 PA payable in advance.
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- 24 In setting this fee, the Government acknowledges that within the exclusive licence holders arrangement there may be a data allowance included (as is currently the case) but this will be disregarded in setting the fee. It is recognised that, in operating an alternative system, an extraordinary licence holder would have to pay for data under their own arrangements. However, the Government is satisfied that it is correct that any licence fee should act as a disincentive to operate outside the arrangements set up in the public interest. Accordingly, only those who have a clear need for an extraordinary licence will apply for one. There is no interest in setting a licence fee that makes self-provision only marginally more expensive. In any marginal case the licensing regime must be such that residents are encouraged towards the exclusive provider.
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### The proposed new policy rationale

Presented below is the proposed new policy rationale for the issuing of VSAT licences, along with an explanation of what each section means. It is these sections that will be updated following this consultation and then presented to Executive Council for adoption.

Proposed new policy text	What does this mean?
<p><b>There are certain circumstances where the Government not allowing individuals to make personal arrangements could be said to be unlawful. The Government also recognises that the balance is no longer in favour of a single supplier of internet services, as resilience within internet service provision is a significant risk mitigation against the possibility of service disruption.</b></p>	<p>This section acknowledges the changes in technology and people’s reliance on internet services, since the setting of the original policy. It establishes for the first time that the availability of VSAT services is a part of overall resilience for the Falkland Islands.</p>
<p><b>The Government considers it reasonable that there is an alternative to using the exclusive provider in circumstances outlined in this policy. It is nonetheless appropriate that anyone managing telecommunications is within a consistent licensed and regulated regime. The Government remains aware of the opinion that suggests a failure to recognise this possibility in legislation may be unconstitutional.</b></p>	<p>This section re-confirms that any and all providers of VSAT services should be regulated appropriately within the Falkland Islands. This means having to apply to operate here and comply with any regulatory terms.</p>
<p><b>The Government recognises that the development of services available via VSAT operators since the original policy was set in 2016 represents a functionally different service from that available when the original policy was established. In the context of this, it is understood that a resident may wish to set up operations outside the parameters of the universal service obligation which is imposed on the exclusive provider. This may include a resident requiring a specific level of bandwidth, speed or latency not available commercially, or at a reasonable price, from the exclusive provider, or via, the exclusive provider.</b></p>	<p>This section confirms that the exclusive provider retains their exclusivity but that there are circumstances where residents can reasonably expect to use another provider to access other services or to achieve a different setup (speed, individual earth station availability, latency etc) than is available from the exclusive provider. The list of circumstances for wanting a VSAT service is not exhaustive, it is just there to illustrate the sort of areas that might apply.</p>



Proposed new policy text	What does this mean?
<p><b>The Government additionally recognises that the needs of the people of the Falkland Islands for self-provision of services via VSAT providers has been demonstrated by the community petition 2024, in particular the evidence about those needs, including that presented to the resulting Select Committee. The Government’s proportionate response is to allow for all residents who demonstrate, by way of an application for licence, that they have needs not provided by the exclusive provider, to be able to self-provide, subject to receipt of and compliance with the terms of a licence from the Regulator.</b></p>	<p>This section confirms that ‘needs’ will be adequately demonstrated by the filling in of an application form and expressing willingness to meet the fee level and other regulatory compliance requirements. This removes the previous requirement to consult with the exclusive provider.</p>
<p><b>Before granting any such licence, the Regulator must be absolutely satisfied that the grant will be consistent with the regulatory principles and the electronic communications objectives, which are now considered to support access to self-provision within the terms of this policy.</b></p>	<p>This section sets out that the interpretation of the <a href="#">electronic communications objectives</a> has changed to accept personal use of VSATs, and the resilience to overall communications they offer, is in line with the objectives.</p>
<p><b>In accordance with the above it is clear that any licence should not be incompatible with the exclusivity afforded to the exclusive licensee. Therefore, only “personal use” of VSAT services (as defined in this policy) will be permitted. Any licence granted will be only for the personal use of the licence holder. This definition includes a business using the licence for internal operations such as the running of an office or premises, but excludes providing services under that licence to any third-party (e.g. tenants, customers or the public) whether paid for or freely provided.</b></p>	<p>This section confirms that any non-personal use of VSAT services remains under the exclusive licence, and this cannot be unilaterally amended by FIG. “Personal use” includes an individual or household, or a single business providing internet services only to employees for the carrying out of their work. However, a business wishing to provide internet services to customers, tenants or the public, whether free or paid, cannot be granted a personal licence. They would need to use services provided by the exclusive provider, currently Sure.</p>
<p><b>The Regulator must be satisfied that the licence will be complied with and that there is no intention to provide a service via the self-provision which could fall outside of the definition of “personal use”. In any decision making the regulator will be guided by the statutory objectives and principles referred to above.</b></p>	<p>This section is re-confirming the clarity of the term “personal use” and how the Regulator will consider applications for VSAT licences.</p>



**These parameters having been established, the next question is what licence fees and other terms should apply to this extraordinarily licensed use.**

Fee levels are only considered once all of the basic principles above have been established. The above will apply regardless of the fee level set.

**Not every telecommunications service is wholly within the exclusivity granted to the current exclusive licensee. Operating outside the exclusive licence regime is allowable in law, but could create a commercial pressure for the exclusive licence provider, which in turn could disadvantage the general public interest as collective purchasing provides benefits for the population at large. However, the demonstrated need of the people of the Falkland Islands for services available through VSAT providers makes this impact reasonable, and the risks are mitigated by the resilience provided by availability of alternative services. Risks of impact are also mitigated by the ability of the Government to respond to commercial pressure, to ensure continuation of the universal service by taking such corrective action as it considers appropriate.**

This section is key to the relationship between the exclusive licence and the allowable issuing of VSAT licences. While there is confidence in FIG's ability to provide licences for VSAT service operators within the Communications Ordinance, FIG also recognises that this is a significant change to the circumstances that existed when the exclusive licence was signed. The impact on Sure will be a commercial one, and FIG wishes to ensure the continuity of services provided by Sure. FIG recognises that not everyone will wish to apply for a VSAT licence and that most Falklands residents rely on Sure's telecommunications services. This section is to confirm in policy that the impacts of changing the VSAT licence terms must be monitored and, if required, mitigated.

**The starting point for fees is therefore the annual sum of the lowest commercially-available package available at the time this policy is adopted. This is £15 a month, making the licence fee for a licence £180 a year. This fee should be subject to annual review.**

This fee level was that suggested by the petition and Select Committee. It also accords with FIG's "user pays" principle. Estimates of likely applicant numbers have been offset against the costs to FIG of running the regulatory service. It is considered right that successful applicants should cover the costs of providing this service, rather than this cost being applied to all taxpayers, which would be the case if a lower fee level were adopted. The annual review is to allow FIG to re-assess the user pays principle against actual applicant figures and adjust as necessary.

**In setting this fee, the Government acknowledges that within the exclusive licence holders' arrangement there may be a data allowance included (as is currently the case) but this will be disregarded in setting the fee. It is recognised that, in operating an alternative system, a VSAT licence holder would have to pay for data under their own arrangements.**

This section confirms that aligning the fee level to the lowest Sure package is a proxy measure, not suggesting that there is an equivalent service level provided – VSAT licence holders will have to separately pay for any VSAT services, and cannot claim any of that cost is covered by the licence fee.



## The Questions

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1. The Government is proposing to allow self-provision of VSAT services to become more accessible to the community. Do you agree with the overall approach, combining a change to policy with a reduced licence fee?

Yes       No       Unsure

If you wish to do so, please expand on your answer:

2. The Government's position is that any provider of telecommunications services in the Falklands must sit within a licensed and regulated regime. Do you support this position?

Yes       No       Unsure

If you wish to do so, please expand on your answer:



**3. The Government proposes to reduce the licence fee for VSAT self-provision to £180 per year, from the original £5,400 per year. This level is as requested by the petition group and recommended by the Select Committee, and will mean that licence applicants cover the costs of providing the regulatory service (“user pays” principle). Do you support this revised fee level?**

Yes       No       Unsure

**If you wish to do so, please expand on your answer:**

**4. Do you agree with the proposed new policy text?**

Yes       No       Partly

**If ‘no’ or ‘partly’, what sections do you not agree with, and what changes, deletions or additions would you like to see considered?**





5. The Government is committed to ensuring all residents of the Falkland Islands continue to have access to all services provided by the current exclusive provider, including broadband services, mobile data, and mobile and fixed line telephones. It is accepted that the proposals in this consultation will likely impact the commercial operations of the exclusive provider. Therefore, the continuation of telecommunications services may require additional financial input from the Government.

Do you agree that this is an appropriate use of public funds?

Yes

No

Unsure

If you wish to do so, please expand on your answer:

If you have any further comments you would like to share, you can provide them here:

**Thank you for taking part in this consultation and for providing your responses.**

If you have any queries about the survey, please contact us emailing [ddcs@sec.gov.fk](mailto:ddcs@sec.gov.fk) or calling the Development and Commercial Services office on 27040.