



# FALKLAND ISLANDS GOVERNMENT

## PRESS STATEMENT

3 February 2025

### Update on Select Committee on VSAT licensing

The Falkland Islands Government is actively working to implement the recommendations of the Telecommunications Select Committee, which met in 2024.

The Select Committee made the following recommendations, subsequently approved by the Legislative Assembly:

- That consideration should be given by FIG to the petitioners' request to reduce the current VSAT licence fee of £5,400 per annum, as set out in the Communications (Fees) Regulations 2019, to a provisional fee of £180 per annum on or by 1 February 2025.
- That the 2016 FIG policy principles, which limit the circumstances in which VSAT licences are granted and require that the VSAT licence fee is set to discourage self-provision, should be reviewed as soon as reasonably practicable and, in any event, not later than April 2025.
- The Committee recommends that, as part of the policy review, consideration be given as to whether there should be a differential licence fee for businesses and individuals.
- That until such time as the 2016 policy principles have been reviewed, the remaining provisions of the policy principles remain unchanged. This means that any applicant for a VSAT licence needs to demonstrate that the current exclusively licensed arrangements through Sure SA are not adequate.
- That any application made by Starlink (or any other provider) to the Communications Regulator for regulatory approval will be dealt with in accordance with the Communications Ordinance and related policies, and the Committee requests the Communications Regulator to continue discussions with Starlink on this point.

An update on all actions is included below:

### **VSAT Licence Fee and policy rationale**

FIG has received a draft report from its consultants, MC Cambridge, on the proposal to reduce the VSAT licence fee. The preparation of this report made it clear that reducing the fee without changing the policy rationale for why the current fee was set at the existing level, would mean that members

of the public applying for a licence at the new fee level would still have to meet the requirements of the old policy. This was felt to be outside the spirit of the proposals, which are to increase opportunities for self-provision.

Changing the fee alone could also leave FIG in a position that could be open to legal challenge, given the lower fee arguably does not meet the original policy ambition of being a disincentive to self-provision.

As a result of these factors, FIG officers will present Executive Council with options regarding the licence fee and policy rationale simultaneously, during February. The ambition is to prepare these for implementation, if approved, during April 2025, as per the second of the two Select Committee deadlines.

A decision will also be made at this point about whether there should be differential licence fees for businesses and individuals.

Note – The Communications Regulator has stated that she will not be considering any new applications for VSAT licences until 1 April, and the revised timetable for completion of the fee and policy review is consistent with that.

### **Engagement with Starlink**

The Communications Regulator is in discussions with Starlink. FIG and the Regulator have received legal advice on the form and legality of issuing such a licence, and are clear on the process required. At present no application has been received.

### **Timeline**

- February: Executive Council decides on new policy rationale and licence fee level for issuing of VSAT licences.
- March: Proposed public consultation on the specific new policy principles and fee level as approved by Executive Council (subject to Executive Council decision). This consultation is to ensure FIG makes policy changes in the overall best interests of the people of the Falklands.
- April: Following consultation, changes to fee levels and policy rationale are presented to Executive Council for formal approval, and a response will be sent the Legislative Assembly. Any amended Regulations will come into effect on publication.

### **Further considerations**

Existing licences will not be amended but the new fee level and policy rationale will apply when these are renewed.

FIG will put in place a process for dealing with an anticipated high number of licences in the initial application period, if changes are made to fee and policy, although staff resource is not high and some level of patience will be asked for from the community.

FIG is committed to ensuring residents of the Falkland Islands continue to benefit from the full range of services provided by Sure, particularly with regard to services not provided by Starlink, such as telephony, mobile data, emergency radio, and TV, radio and MiPlayer broadcasting. FIG will continue to discuss with Sure the implications of any changes made to VSAT licensing, and how best to guarantee that service provision to those choosing not to self-provide broadband, and to all using non-broadband services, is maintained.

Further information will be given after the Executive Council decision in February, and after that at all relevant points through the envisaged process. MLAs and FIG Officers would like to thank the public for their patience so far whilst this work is completed.