

EXECUTIVE COUNCIL TOP LINES - TUESDAY, 3 NOVEMBER 2020

Proposal for the Recognition of Exceptional Service by non-Saints

- **Executive Council advised and supported the proposal for the recognition of exceptional service by non-Saints to be taken forward by the local Honours Committee in consultation with the Attorney General's Chambers and the Foreign Commonwealth and Development Office**
- Executive Council authorised the existing Honours Committee to prepare nomination criteria for a Badge of St Helena and an honorary citizen designation and to work with the Attorney General's Chambers to develop an appropriate legal basis for granting the new awards, their citations and usage
- Executive Council permitted the Honours Committee to hold a design competition on St Helena to produce a locally prepared design for the obverse and reverse sides of a Badge of St Helena
- Executive Council requested the Honours Committee submit the designs and arrangements for the awards to Legislative Council within three months
- Members fully supported the proposal and recognised that valuable contributions by non-Saints to the Island and its people should be acknowledged
- Members did not however want these new awards to devalue the current Certificate and Badge of Honour awards that recognise exceptional service and contributions of locals
- It was noted that the current criteria and setup of the Certificate and Badge of Honour Awards for locals needs to be looked at and updated to reflect the agreed rehabilitation of offender's legislation. Though it was noted that this does not need to be done in parallel with the current proposal to recognise exceptional service of non-Saints and can be discussed at a later date
- It was recognised that this type of recognition of non-locals does happen in other Overseas Territories and that this would be solely an SHG and St Helena recognition and not a UK Award

Policy for Communication Networks and Services

- **Executive Council considered and advised that the Final Policy for Communication Networks be endorsed.**

Background:

- In December 2019, SHG signed a contract with Google to secure a Branch in Phase 1 of the Equiano Cable
- The Branch will provide significant levels of capacity and will be a transformational improvement for St Helena
- A Policy for Communication Networks and Services has been developed to set the framework by which to update the Telecommunications Ordinance
- The Policy will help to guide the process of allocating public electronic communications network and service licences to one or more providers

- Currently, the telecommunications licence is an exclusive licence issued to Sure South Atlantic Ltd until 31 December 2022
- The Policy was subject to public consultation from 14 July to 7 September 2020, and as a result of this consultation, amendments were made to the Policy
- The Economic Development Committee (EDC) considered and endorsed the Policy

At the meeting:

- Chief Digital Officer, Jeremy Roberts, gave a presentation outlining the key principles and features of the Policy
- It was noted that the Policy will set the framework for the current Telecommunications Ordinance to be updated and renamed to Communications Ordinance
- Members recognised the importance of Data Protection, which was something that was mentioned extensively during public consultation
 - Chair of the Social Community Development Committee (SCDC) noted that the Data Protection work was being taken forward by his committee and is being looked at by the Deputy Chief Secretary
- Members were pleased to note the provision to allow multiple licence holders in terms of potential service providers
 - It was noted that that provision for multiple licence holders was put forward strongly during public consultation
 - It was agreed that SHG should allow market forces to dictate how multiple license holders would work on-Island
 - Exclusivity is still an option. Should exclusivity be required, it would be subject to Executive Council agreement
- The importance of a Regulator, completely independent of SHG, even though the setup will be done through SHG, was stated as being a key function. This funding is envisaged to come from the licensee/licensees
- It was suggested that consideration be made for an office to bring together various regulators and commissioners
- Members recognised the need for a drive to garner support and interest in the Information and Communication Technology sector as has happened with other key sectors
- The Policy was adopted by ExCo as the way forward. Efforts will now be on implementing the arrangements to develop the Island's telecommunications sector going forward

Company Registry Policy

- **Executive Council considered and advised the Company Registry Policy be endorsed**

Background:

- The Sustainable Economic Development Plan (SEDP), supports growth of exports in order to attract more money to St Helena, and become '*Altogether Wealthier*'
- Many jurisdictions work to provide competitive Company Registry services for globally operating companies to attract international revenues. This Policy has been put together to move forward development of St Helena's Company Registry to provide a better, more transparent and more attractive service to customers whilst ensuring that we keep abreast of international requirements.
- Development of St Helena's Company Registry is timely, as the EU's new Economic Substance Requirements legislation will require tax on St Helena to be transparent and fair and St Helena will be reviewed on its ability to tax global profit and provide a transparent registry
- Currently, St Helena charges 0% tax on global profit, and this is a significant risk to the reputation of St Helena if globally active companies start to register their company on St Helena
- In April 2019, EDC gave approval for Officers to put together a proposal for Company Registry on St Helena. The draft Policy was developed in May 2020, and consulted on in June-July 2020.
- EDC endorsed the policy on 22 October 2020 for Executive Council agreement.

At the meeting:

- It was noted that this venture for SHG was very much a forward looking work stream, and that the Policy would provide a pathway for years to come
- Members agreed that this new venture will have the potential to grow over time and would generate a significant new revenue stream for St Helena
- Members were pleased that the Policy supported the SEDP and SHG's 10-year plan
- A fair tax approach was accepted as the correct way forward
- It was accepted that a number of international obligations would be placed on SHG if the Island is to be portrayed as a worthy place to register a company
- It was noted that 5% (20% of 25%) of registered companies international profits will be taxed as per the Policy, which is in line with other fair tax jurisdictions
- It was noted that more detail was needed in terms of setting up a minimum tax threshold for medium and large businesses as outlined in the Policy and this would be finalised soon.
- It was noted that implementation of this Policy would come with some cost implications, but that these were seen as an investment with SHG looking to achieve additional revenues from this initiative
- It was noted that attraction of companies for the Register is essential to the success of the proposal. The current COVID-19 pandemic was mentioned as something which could have a negative impact in this process

- It was accepted that significant work will be needed to implement the Policy over the coming years, but that this was essential with regards to St Helena's current situation
- The Policy was accepted and endorsed subject to the extra details provided by the Financial Secretary
- Chair of the EDC paid tribute to the officers which contributed to the work on the Policy