



## Economic Development Committee (EDC) Minutes

**Date:** 22 October 2020

**Venue:** Council Chamber

**Time:** 09.00 am

**Present:**      **Chairman**              Hon Lawson Henry  
                  **Members:**            Hon Gavin Ellick  
                                 Hon Clint Beard  
                                 Hon Cyril Leo  
                                 Hon Miss Christine Scipio  
                                 Hon Financial Secretary, Mr Dax Richards (Item 46.7/8/9)  
                                 Deputy Financial Secretary, Mr Nicholas Yon  
                                 Director of Enterprise, Mr Robert Midwinter  
                                 Director of ENRPD, Mr Darren Duncan  
                                 Chief Economist, Mrs Nicole Shamier

**Secretary**              Miss Anita Legg (Item 46.1 – 46.7)  
                                 Mrs Connie Johnson (Item 46.8 & 46.9)

**In Attendance:**              Economic Development and Prosperity Advisor, Mr Karan Garcha  
                                 Director of Tourism, Mrs Helena Bennett (Item 46.3 & 46.4)  
                                 Acting Airport Director, Mr Paul Cherrett (Item 46.3)  
                                 Head of Civil Aviation, Mr Mark Souter (Item 46.3)  
                                 IT Section Head, Mr Jeremy Roberts (Item 46.7)  
                                 Marine, Fisheries and Conservation Officer, Mr Rhys Hobbs  
                                 (Item 46.8)  
                                 Marine Enforcement Officer, Mr Jason Sparks (Item 46.8)  
                                 Crown Counsel (Commercial), Mr Richard Hollins (Item 46.9)

### **OPEN SESSION**

#### **46.1      Welcome and Apologies**

The Chairman welcomed all present to the meeting. One member of the media and one member of staff was present. Apologies were received from the Financial Secretary for the first part of the open session.

#### **46.2      Declaration of Personal Interest**

Cllr Scipio declared her interest in respect of any item related to farming, her father being a registered part time farmer; Cllr Ellick declared his interest in respect of his fish retail business and

Cllr Beard declared his interest in respect of procuring goods. No other personal interests were declared.

**46.3      St Helena Tourism Covid-19 Recovery Strategy, Memo 20/2020 – Director of Enterprise / Director of Tourism**

Mr Mark Souter was introduced as the new Head of Civil Aviation, who advised he would meet with all Elected Members during the coming weeks.

The Director of Tourism (DoT) briefed EDC on the Tourism Covid-19 Recovery Strategy and confirmed it had been consulted on and approved by the ESH Board. Key points raised from discussion were:

- It was clarified this paper did not mean the island would open up to tourism in the immediate to short term.
- It was confirmed the above strategy would complement the Air Service Strategy, as the principals had been checked with the Airport Directorate to ensure they were the same. EDC noted the strategy for air services was being worked on and could be completed within the next two years however concern was raised, as it should be in sync with the Tourism strategy.
- EDC felt that any discussions on reducing the quarantine period was best taken forward to the IEG.
- The DoT advised a timely review of the budget had been undertaken therefore actions were able to be aligned with the budget to March 2021.
- It was confirmed promotional activities are funded from the DFID project.
- The memo recognised ESH will come to an end 31 March 2021 and actions required in the Strategy could move forward regardless of how economic development is structured in the future.
- EDC noted armchair tourism would be detailed in the action plan and budget had been allocated.
- Activities in relation to the slave trade would be also be detailed in the action plan. It was noted the LAAC Master Plan had been approved by ExCo and the Tourist Office had supported the product development and research on this niche market.
- The Tourist Office was supporting the Napoleonic Company to deliver activities for the bicentenary.

Following discussion, EDC in the majority endorsed the St Helena Tourism Covid-19 Recovery Strategy.

**Action: Director of Enterprise/ Director of Tourism**

The Chairman thanked officers for their input and the Acting Airport Director and the Head of Civil Aviation left the meeting.

**46.4      ESH Updates / Tourism Quarterly Report, September 2020 – Director of Enterprise/ Director of Tourism**

The September progress and performance report had been circulated for advance reading. The Director of Enterprise (DoE) provided an overview and invited comments. Key points raised from the discussion were:



- ESH Management Accounts – Members requested a copy of the up to date management accounts. The DoE advised the quarter 2 management accounts had been finalised and would be copied to EDC once they had been presented to the ESH Board. Subsequently the accounts would then be presented to the November EDC however in the interim, members were welcome to send advance questions to the Director of Resources should they wish to do so. Members also requested a forecast of expenditure through to 31<sup>st</sup> March 2021.

**Action: Director of Enterprise**

- Napoleonic Bicentenary – EDC noted there had been some interest in the community, including from a number of local businesses, in relation to engagement with the bicentenary celebrations.

**Action: Director of Tourism**

- Investor Enquires – The DoE advised only 5 investors out of 17 enquires, for 2020/21, had progressed through.
- Investment Prospectus – EDC noted a number of applications had fallen below the reserved price therefore an independent re-evaluation of the strategic assets had been initiated, from two on-island companies, as a basis for evidence. It was confirmed a bidding process is still in place for purchase of these properties. EDC also noted this evaluation is different to the desktop exercise undertaken previously by an off-shore provider for the financial statements. It was felt this matter should have been brought back to Executive Council first however ExCo still needs to give approval once the exercise has been completed.

**Action: Director of Enterprise/ Chief Economist**

- Luffkins Cottage – In response to a query on this specific property, it was thought the house had deteriorated and the value had dropped since previously evaluated however it was best to address any other related questions through the more appropriate E&NR Committee.
- Drip Irrigation – It was confirmed this is open to all commercial farmers that are producing goods for resale on island.

The Director of Tourism was then invited to brief EDC on activities for the last quarter, key topics included: promotion of armchair tourism; continued work with the Brighter Group; preparation to roll out tourism training; support to the Cloud Forest Group; final drafting of Dark Skies legislation; and the proposed reopening of Bertrand's Cottage, with a new commercial operation.

The Chairman thanked the Director of Enterprise and the Director of Tourism for keeping the committee updated. The Director of Tourism then left the meeting.

#### **46.5 Confirmation of Open Minutes held on 9 July, 27 August & 24 September 2020**

The minutes of the open meetings held on 9<sup>th</sup> July, 27<sup>th</sup> August and 24<sup>th</sup> September 2020 were confirmed and signed by the Chairman.

#### **46.6 Matters Arising**

##### **46.6.1 Internal Audit Recommendations: Governance Review Council Committees**

The Deputy Chief Secretary had recommended an amendment was not necessary nevertheless EDC felt it would be best to proceed with the request for an amendment to

the Council Committees (Rules of Procedure) Order, to amend the number of working days to at least five, for papers to be circulated to a committee. This matter would be followed up with the Deputy Chief Secretary.

**Action: Secretary/ Deputy Chief Secretary**

#### **46.6.2 Options for the Re-supply of Chicks for Egg Production**

The Director advised that the importation of chicks from the UK was not viable due to the incubation period, in relation to the dates the flights leave the UK thus as long as these flight dates remain, the situation will remain as is.

**Action: Director of ENRPD**

#### **46.6.3 Port Regulations**

Ongoing – the Deputy Financial Secretary advised he was trying to get some traction on this matter.

**Action: Deputy Financial Secretary**

#### **46.6.4 Response to St Helena Commercial Fishermen's Association Petition**

It was confirmed this matter had been presented to Executive Council. A member expressed his dissatisfaction with the procedure during the ExCo meeting.

The Financial Secretary attended the meeting at this point.

#### **46.7 Draft Policy for Communications Networks and Services, Memo No 21/2020 – Chief Economist**

The Chief Economist presented the above memo, asking EDC to endorse the final draft Policy on Communications Networks and Services, for agreement by Executive Council, following a six week consultation period. This Policy had been provided to EDC with track changes to enable members to view comments based on the consultation process.

Discussion ensued mainly around: ensuring, if there was more than one company providing services, they can interconnect without barriers; proposed alternatives for earth stations; the introduction of a role for an independent regulator with specific skills and a requirement for a surveillance commissioner, which would have some financial impact but will be taken into account in the fit for future programme; potential breakage in the cable, which will be incorporated in the financial model; further work on data protection and on cybersecurity that will need to be developed going forward. The Financial Secretary also advised that SHG at present, does have the finances to complete the project.

EDC endorsed the final draft Policy on Communications Networks and Services to be presented to Executive Council.

The Chairman thanked everyone involved in this work and the IT Section Head left the meeting.

**Action: Chief Economist**



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The Secretary left the meeting at this point to attend a conference and Mrs Johnson joined the meeting to continue with the minute taking. The Chairman apologised for the short break.

#### **46.8      Amendments to Fish Catch Limits Table, ENRPD Memo 8/2020 – Director ENRPD**

The Chairman introduced the Memorandum asking Committee to endorse the following:

1. Catch limits for the fish species included on the Catch Limits Table (excluding Yellowfin and Bigeye tunas)
2. The following Fisheries Licencing Policy (FLP) changes as a result of stakeholder feedback:
  - Section 5.2 will be changed to allow the inshore commercial fleet to use droppers to catch bait species all year round
  - Section 6.7 will be changed to allow recreational vessels to process pelagic species with minimum sizes aboard the vessel
  - Section 18.5 will be changed to allow fish caught under a Sport Spearfishing License to be sold to a fish processing establishment as specified in the Fish and Fish Products Ordinance, 2010.

The Director of Environment, Natural Resources and Planning Directorate (ENRPD) gave Members a brief update on the background and advised that this followed the original request for a decision and the associated changes required to the Total Allowable Catch (TAC) table, which now reflected the amendments and feedback received.

The Marine and Fisheries Conservation Officer (MFCO) gave an outline and advised that further consultations with stakeholders to address various concerns were held and written feedback had also been provided. When the TAC table is approved then new log books will be issued so that the relevant information can be gathered over a time period. The feedback and revised version of the table was provided to the consultees and this Committee. The MFCO highlighted the two major changes in the table and said that recreational and spear fishing did have quotas and this was revised and brought back to Members for a steer on a limits per month basis and also touched on the policy changes with regard to pelagic species minimum size and wastage.

Members were of the view that there were so many tables presented and were unsure which one was correct; the MFCO confirmed that the information presented with the memorandum was the final version.

Members questioned the consultation methods; the MFCO replied that it was not a consultation but they were provided with feedback and he confirmed the information was supplied to the relevant parties.

Cllr Scipio advised that a member reported that they did not see the Cefas report; Cllr Scipio agreed to supply the person's name to the MFCO outside of the meeting.

**Action: Hon Christine Scipio**

Members noted that they were being asked to endorse the following Fisheries Licencing Policy (FLP) changes as a result of stakeholder feedback but this did not include the Total Allowable Catch feedback. The MFCO proposed an amendment to the Memorandum as follows:-

2. The following Fisheries Licencing Policy (FLP) changes as a result of stakeholder Total Allowable Catch (TAC) feedback:

The Chairman accepted the proposed amendment.

Some Members further passionately debated this topic seeking clarification on the licensing process, recreational fishing, feedback, bait reports, harpooning, quotas and science data; the MFCO, Marine Enforcement Officer and the Director of ENRPD provided substantive replies and informed Members that the next stage would be publication, followed by an application period and then the quota allocation.

Following discussion, the majority of the EDC approved the revised fish catch limits table and minor policy changes as follow:-

- Section 5.2 will be changed to allow the inshore commercial fleet to use droppers to catch bait species all year round
- Section 6.7 will be changed to allow recreational vessels to process pelagic species with minimum sizes aboard the vessel
- Section 18.5 will be changed to allow fish caught under a Sport Spearfishing License to be sold to a fish processing establishment as specified in the Fish and Fish Products Ordinance, 2010

**Action: Director of ENRPD**

The Chairman thanked the officers for their input and at that point the Marine and Fisheries Conservation Officer and the Marine Enforcement Officer left the meeting.

#### **46.9      Company Registry Policy, Memo No 19/2020 – Chief Economist**

Cllr Ellick left the meeting at 12.44pm therefore was unable to vote on this item.

The Chairman presented the Memorandum asking EDC to endorse the Company Registry Policy. The Chief Economist advised that the Policy had been brought back to Committee following consultation. The Chief Economist took Members through a Power Point Presentation setting out the policy content and explained the background to Members which included:

- Principles to follow
- Objectives of the Policy
- Current issues
- Proposals
- Changes since Consultation
- Key Changes since Consultation
- Next Steps

Members questioned:-

- the tax haven and enquired how this would be mitigated; the Chief Economist replied that tax revisions would be built-in including provisions for medium and large companies



- what effect would this have on Island businesses; the Chief Economist advised that this would only affect offshore businesses
- who was responsible for the anti-money laundering handbook; the Financial Secretary advised that this fell to the money laundering group
- what participation had been projected; the Chief Economist said that this had created some excitement and roughly 200 companies had expressed an interest
- what were the comparative figures; the Financial Secretary said that there is no past data around this
- whether specialist expertise was envisaged; the Financial Secretary confirmed this would be necessary and highlighted the opportunity for the administration of trusts
- if the timetable of 2021 for this project was achievable; the Financial Secretary replied that they would endeavour to work towards this
- what changes had been made to the document that was issued in May; the Chief Economist advised that the consultancy fees had been discharged
- if the informational references in the Policy that related to places could be removed; the Chief Economist agreed this could be done

**Action: Chief Economist**

- if any changes were required to Ordinances; the Chief Economist replied that once the Policy was agreed this would need to go through the Committee and changes to the Ordinance was envisaged
- who else would be employed to assist the Registrar; the Chief Economist advised that there would also be an Assistant Registrar

Member also queried the Policy asking why:-

- page 37 was not included when the Policy stated it was Page 1 of 37; the Crown Counsel (Commercial) advised this was because Page 1 was not numbered
- on page 12 of 35 medium business were listed twice; the Chief Economist replied this was an error and would be corrected.

**Action: Chief Economist**

Following discussion, the EDC endorsed the Company Registry Policy.

The Chairman thanked the officers for their input and at this point the Crown Counsel (Commercial) left the meeting.

There being no further business, this session of the Agenda was concluded and the Committee moved to closed session.

Minutes Approved: L. Aring

Chairman

Date: 26-11-20

